

FBIS

DAILY REPORT

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OPEC CONFERENCE PROCEEDINGS, RESULTS, MINISTERS' COMMENTS REPORTED

Opens in Abu Dhabi

LD160848Y Riyadh SNA in Arabic 0745 GMT 16 Dec 78 LD

[Text] Abu Dhabi--Shaykh 'Ali al-Khalifah as-Sabah, the Kuwaiti oil minister and chairman of the current session of OPEC, at 1000 today opened the conference of the organization's oil ministers. Dr Mani' Sa'id al-'Utaybah, minister of petroleum and mineral resources of the United Arab Emirates then was unanimously elected chairman of the conference.

Dr al-'Utaybah, welcoming the holding of the conference in Abu Dhabi, said OPEC occupied a prominent place in the world economy and played an admirable role in it and the world was watching to see what decisions it will make. He stressed that the organization had proved on more than one occasion that it was conscious of its responsibility and that it was ready to play its positive part in the world economy. He pointed out that the inflation rate [word indistinct] and the continued fall in the value of the dollar, while oil prices remaining unchanged, adversely affected the OPEC states' revenue and resulted in heavy losses.

Al-'Utaybah added: We are required to make wise decision that are acceptable to the world economy and we should bear further sacrifices and agree to less than we demand so that our decisions may be mature, acceptable and defensible.

After the speech, OPEC began its session and journalists were asked to leave the hall. There are 13 members of OPEC: Saudi Arabia, UAE, Algeria, Ecuador, Gabon, Indonesia, Iraq, Iran, Libya, Kuwait, Nigeria, Qatar and Venezuela.

Al-'Utaybah Delivers Opening Speech

JN161104Y Abu Dhabi EMIRATES NEWS AGENCY in Arabic 0910 GMT 16 Dec 78 JN

[Text] Abu Dhabi, 16 December--Dr Mani' ibn Sa'id al-'Utaybah, UAE minister of petroleum and natural resources, delivered the following speech at the opening session of the 52d OPEC Ministerial Conference:

Your Excellencies heads of delegations, brother members: I would like to welcome you to Abu Dhabi on behalf of the UAE president, His Highness Shaykh Zayid ibn Sultan Al Nuhayyan, and in the name of the government and the people of this country. I would like to extend sincere feelings of love and happiness to you as the guests of our people here.

Fate has wished our organization to occupy a leading role in the world's economy. Therefore, it is no wonder that at these very minutes the whole world is watching you and anxiously awaiting your forthcoming decisions. Our organization has frequently proved that it has been up to its great responsibilities. Our organization is always prepared to carry out its positive role to support the world's economy and is also prepared to sacrifice so it can be an active member of the world community.

The high rate of inflation and the continuous decline in the dollar value during the last period, which did not witness any increase in oil prices, have adversely affected our oil revenues and consequently resulted in serious loss.

At this time, we are asked to take wise and responsible decisions that must be accepted by the world economy. We have to give more sacrifices and accept the minimum, so that our decisions will be mature, acceptable and defensible.

Your Excellencies, in your name I would like to thank His Excellency Shaykh 'Ali al-Khalifah as-Sabah for his wisdom and remarkable role in supervising the previous session. I also would like to thank you for the great trust you have placed in me by electing me chairman of your conference. Welcome again to Abu Dhabi and thank you.

First Closed Session Begins

JN160722Y Abu Dhabi EMIRATES NEWS AGENCY in Arabic 0650 GMT 16 Dec 78 JN

[Text] Abu Dhabi, 16 December--Dr Mani' ibn Sa'id al-'Utaybah, chairman of the 52d session of OPEC and the UAE minister of petroleum and natural resources, announced the beginning of a closed session at 1035 local time. The opening session lasted 20 minutes.

New Secretary General Elected

JN161011Y Abu Dhabi EMIRATES NEWS AGENCY in Arabic 0945 GMT 16 Dec 78 JN

[Text] The EMIRATES NEWS AGENCY has learned that the OPEC Ministerial Council has elected Rene Ortiz of Ecuador as the OPEC secretary general for 1979. Mr 'Abdallah Isma'il, secretary of the Abu Dhabi Oil Department, was elected chairman of the board of governors for 1979-80. The ministers also approved the organization's budget for 1979.

More on Elections

JN161024Y Abu Dhabi EMIRATES NEWS AGENCY in Arabic 1010 GMT 16 Dec 78 JN

[Text] Abu Dhabi, 16 December--The EMIRATES NEWS AGENCY has learned that the OPEC Ministerial Council, during its first closed session this morning, elected (Joseph Manuel Teneo) of Venezuela as vice chairman of the board of governors. The EMIRATES NEWS AGENCY has also learned that among several issues the OPEC Ministerial Council discussed the activity report which was prepared by the OPEC secretary general. The council also reviewed a report from the statistics committee and the 1979 budget.

First Closed Session Ends

JN160944Y Abu Dhabi EMIRATES NEWS AGENCY in Arabic 0940 GMT 16 Dec 78 JN

[Text] Abu Dhabi, 16 December--The OPEC Ministerial Council concluded its closed session at 1315 today. The council will resume meeting at 1600 this afternoon.

Second Closed Session

JN161432Y Manama GULF NEWS AGENCY in Arabic 1415 GMT 16 Dec 78 JN

[Text] Abu Dhabi, 16 December--The second closed session of OPEC began here this evening.

The GULF NEWS AGENCY correspondent in Abu Dhabi says that this session, which is confined to ministers only, will discuss the organization's economic committee report on oil prices and world economic inflation. The member-states will also present their countries' viewpoints regarding the increase in oil prices and maintaining the dollar as a calculating unit for oil prices.

Study of Economic Report Concluded

JN161635Y Abu Dhabi EMIRATES NEWS AGENCY in Arabic 1620 GMT 16 Dec 78 JN

[Text] Abu Dhabi, 16 December--The EMIRATES NEWS AGENCY has learned that during its evening session today, the OPEC Ministerial Council has concluded its study of the economic committee report, which is expected to have a great influence on defining the rate of increase in oil prices.

The ministers then discussed the topic of prices and will continue their discussion at 1000 tomorrow. In their next meeting, the ministers are expected to define the date and place of the next OPEC conference.

No Agreement on Price Hike 16 Dec

TA151559Y Paris APP in English 1553 GMT 16 Dec 78 TA

[Text] Abu Dhabi, Dec 16 (AFP)--The 13 ministers attending the Organisation of Petroleum Exporting Countries (OPEC) meeting here ended a restricted price-fixing session today, and United Arab Emirates Oil Minister Mani' ibn Sa'id al-'Utaybah said no agreement had been reached.

The ministers will meet again at 1000 local time (0600 GMT) tomorrow, he said.

Second Closed Session Ends

JN161625Y Abu Dhabi EMIRATES NEWS AGENCY 1615 GMT 16 Dec 78 JN

[Text] Abu Dhabi, 16 December--The second closed session of the OPEC Ministerial Council, which lasted 2 and 1/2 hours, was concluded at 1930 today.

Dr Mani' Sa'id al-'Utaybah, minister of petroleum and natural resources, stated that the council will hold a session at 1000 tomorrow to continue its study of the topic of prices.

Budget for 1979 Reportedly \$13 Million

JN161639Y Abu Dhabi EMIRATES NEWS AGENCY in Arabic 1618 GMT 16 Dec 78 JN

[Text] Abu Dhabi, 16 December--The EMIRATES NEWS AGENCY has learned that the OPEC budget for next year as approved by the organization's Ministerial Council amounts to 187 million Austrian shillings, that is, about \$13 million.

Meetings Resume 17 Dec

JN170703Y Abu Dhabi EMIRATES NEWS AGENCY in Arabic 0655 GMT 17 Dec 78 JN

[Text] Abu Dhabi, 17 December--The OPEC Ministerial Council resumed its meetings at 1020 today in the Abu Dhabi Hilton, where it held its third session attended by the ministers of the 13 member-states.

Observers unanimously believe that this session will be the last. The new prices of crude oil and the conference resolutions will then be announced.

The EMIRATES NEWS AGENCY has learned that Dr Mani' Sa'id al-'Utaybah, minister of petroleum and natural resources and chairman of the conference, will hold a press conference at 1800 today in the Abu Dhabi Hilton to speak about the results of the 52d OPEC session.

Closed Meeting Begins

JN170741Y Abu Dhabi EMIRATES NEWS AGENCY in Arabic 0730 GMT 17 Dec 78 JN

[Text] Abu Dhabi, 17 December--The third session of the OPEC Ministerial Council adjourned at 1120 and the ministers proceeded to hold a closed meeting in the Abu Dhabi Hilton suite of Dr Mani' Sa'id al-'Utaybah, minister of petroleum and natural resources.

Unanimous Decision on Price Increase

JN171335Y Abu Dhabi EMIRATES NEWS AGENCY in Arabic 1256 GMT 17 Dec 78 JN

[Text] Abu Dhabi, 17 December--Dr Mani' Sa'id al-'Utaybah, UAE minister of petroleum and natural resources, has stated that the OPEC Ministerial Council has reached a unanimous decision on the oil price increase. In a statement to a group of reporters, the minister said that the conference will not repeat the results of the Doha conference, which adopted two prices for oil. He said: We will not allow the conference which adopted two prices for oil. He said: We will not allow the conference to achieve such a result. Today, the ministers held two closed meetings on the ratio of the price increase. The conference meets again this afternoon.

Increase Percentages Noted

JN161046Y Baghdad INA in Arabic 1015 GMT 16 Dec 78 JN

[Text] Abu Dhabi, 16 December--It has been learned here that the preliminary consultations among OPEC oil ministers which preceded the opening session today resulted in an agreement in principle on the rate of increase of oil prices for the next year.

It has also been learned that the increase will be gradual and quarterly and will reach 10 percent. The apparent increase, which totals 15 percent, will be divided into quarterly installments as of the beginning of next year according to the following rate: 5 percent for the first quarter and 3.3 percent each for the second, third and fourth installments.

Resultant Prices Per Barrel

JN171239Y Baghdad INA in Arabic 1225 GMT 17 Dec 78 JN

[Text] Abu Dhabi, 17 December--The price of one barrel of marker oil, which is light density Arab oil, will be \$13.33 as of the first of next month. The price of one barrel since the last increase in oil prices 2 years ago was \$12.70.

This new increase is in accordance with the decision on rectification of oil prices adopted by the OPEC Ministerial Council today. The council decided on a 15 percent increase in oil prices, divided into four stages, so that the general average throughout the year will be 10 percent.

The percentage of rectification of the oil prices effective 1 April next year, the second stage of the rectification of prices, will be 3.809 percent, so that the price of one barrel will be \$13.84 for 3 months after that.

During the third quarter of next year, the percentage of rectification on 1 July 1979 will be 2.294 percent, so that the price of 1 barrel will go up to \$14.16.

The percentage of rectification during the fourth quarter of next year, the final stage which goes into effect on 1 October 1979, will be 2.691 percent so that the price of one barrel of oil will go up to \$14.54.

The INA correspondent says that the percentages of rectification of oil prices for the above-mentioned four stages have been calculated on a compound basis. The correspondent also says that the increase would seem to be 15 percent, but it is in fact 10 percent spread over the whole year.

The OPEC Ministerial Council has decided to hold its next meeting in June next year in Geneva.

REUTER Notes Price Increase

WA171103Y London REUTER in English 1102 GMT 17 Dec 78 WA

[Text] Abu Dhabi, Dec 17, REUTER--Ministers of the Organization of Petroleum Exporting Countries (OPEC) have decided to raise oil prices by a total of 15 percent during 1979, OPEC delegates told REUTERS today.

The report on the increase came on the first day of serious bargaining by oil ministers of the 13-member organization on how much to raise the price of oil, frozen at 12.70 a barrel for the past two years.

The delegates said the increase would be applied in four installments spread out over the year. There would be an immediate increase of five percent on January 1 and three further quarterly hikes during the year.

This would raise the price of a standard barrel of OPEC oil to 14.60 dollars by the last quarter of 1979.

OPEC Statement on Increase

JN171424Y Abu Dhabi EMIRATES NEWS AGENCY in Arabic 1340 GMT 17 Dec 78 JN

["Text" of the final statement of the OPEC Ministerial Council issued in Abu Dhabi 17 December]

[Text] Abu Dhabi, 17 December--The 52d meeting of OPEC convened in Abu Dhabi in the United Arab Emirates from 16-17 December 1978. The conference unanimously elected His Highness Dr Mani' Sa'id al-'Utaybah, UAE minister of petroleum and natural resources and head of its delegation, as chairman of the conference. Dr Subroto, Indonesian minister of mining and energy and head of Indonesia's delegation, was elected alternate chairman.

The meeting reviewed the report of the economic council and observed with great concern the high inflation rate and the decline of the dollar during the last 2 years, and the resulting large decrease in the revenues of the oil member-states as well as the negative effect of all this on the economic and social development of these states.

Despite this and out of a desire to help world economy toward further development and in order to back up the current efforts aimed at strengthening the U.S. dollar and curbing the inflation trends, the conference has decided the following:

To introduce a partial rectification of oil prices at the average of 10 percent throughout the year 1979. In addition to that and as a gesture of good will, the conference has decided to divide this rectification on a quarterly basis in accordance with the following ratios:

5 percent on 1 January 1979

3.809 percent on 1 April 1979

2.294 percent on 1 July 1979

2.691 percent on 1 October 1979

If, for instance, we apply these rectifications to the price of crude oil, the result will be the following prices:

\$13.335 as of 1 January 1979

\$13.843 as of 1 April 1979

\$14.161 as of 1 July 1979

\$14.542 as of 1 October 1979

In another development, the conference noted that if inflation and the current instability continue to negatively affect the oil revenues of the member-states in a manner encouraging the squandering of this significant source, which is tending toward exhaustion, the conference will be forced to adopt measures compatible with this inflation and the drop in the dollar.

The conference fully supports the OPEC finance ministers in setting up a joint fund in its capacity as a basic tool to achieve the objectives agreed upon in the unified program for commodities.

Considering the progress made at the final negotiations meeting held in Geneva in November, the conference expressed the sincere hope that the outstanding issues will be solved in a satisfactory manner.

The conference approved the 1979 OPEC budget.

The conference appointed 'Abdallah Isma'il, UAE representative in the board of governors, as chairman of the board for 1979. The conference also appointed (Jose Manuel Benio), Venezuela representative, as deputy chairman for 1979.

The conference appointed Rene Ortiz from Ecuador as OPEC secretary general for 2 years, effective 1 January 1979. The conference expressed its appreciation for the excellent services that current Secretary General 'Ali Jidah has rendered during his term of service.

The conference expressed its appreciation to the UAE for the generous hospitality and for the efficient way the conference was arranged.

The conference adopted resolutions which will be issued on 17 January after being approved by member-states.

The OPEC ordinary meeting will be held in the first half of June 1979.

UAE Minister Discusses Price Rise

JN171552Y Abu Dhabi EMIRATES NEWS AGENCY in Arabic 1430 GMT 17 Dec 78 JN

[Report on press conference by UAE Petroleum and Natural Resources Minister Dr Mani' ibn Sa'id al-'Utaybah, following the end of the OPEC Ministerial Council meetings, in Abu Dhabi on 17 December]

[Text] Abu Dhabi, 17 December--UAE Petroleum and Natural Resources Minister Dr Mani' ibn Sa'id al-'Utaybah has stated that the resolutions adopted by the OPEC Ministerial Council meetings today on the gradual increase of oil prices show that the prices are reasonable and balanced figures capable of being easily absorbed by the world economy.

At the press conference he held this evening after the announcement of the conference's resolutions, Dr al-'Utaybah said that despite our great loss, which exceeded 50 percent because of various inflation factors totaling 20 percent, a drop in the dollar value equaling 20 percent and other drops totaling more than 10 percent, we have agreed to this increase to prove that OPEC countries have a sense of responsibility toward the world, including industrial countries and developing nations.

At the outset of the conference, Dr al-'Utaybah greeted the journalists--who flocked from all over the world to cover the conference--in the name of the UAE president, the UAE Government and people.

Dr al-'Utaybah stressed that the conference has succeeded in coming out with a unified decision unanimously approved by all OPEC members. Dr al-'Utaybah expressed his happiness that OPEC emerged from this conference stronger and with tighter cohesion.

Dr al-'Utaybah extended his thanks to the heads of governments and oil ministers of countries he had visited during the three tours he made to a number of oil-producing countries in the gulf and the Mediterranean, because of their cooperation with him in producing successful results. Dr al-'Utaybah added that he was sure that the world would appreciate the moderation and commitment of OPEC when it adopted its resolutions.

Dr al-'Utaybah then pointed out that the prices of oil produced in the UAE will become as follows after the introduction of the increase approved by the OPEC conference:

<u>OIL</u>	<u>CURRENT</u>	1979	1979	1979	1979
		<u>FIRST</u>	<u>SECOND</u>	<u>THIRD</u>	<u>FOURTH</u>
<u>QUALITY</u>	<u>PRICE</u>	<u>QUARTER</u>	<u>QUARTER</u>	<u>QUARTER</u>	<u>QUARTER</u>
Murban	\$14.26	\$15.16	\$15.70	\$16.04	\$16.45
Zakum	\$14.16	\$15.08	\$15.61	\$15.96	\$16.37
Umm ash-Sha'if	\$14.02	\$14.82	\$15.35	\$15.70	\$16.11
Al-Mubarrar	\$14.06	\$14.97	\$15.53	\$15.85	\$16.36
Abu al-Bukhush	\$13.60	\$14.28	\$14.83	\$15.17	\$15.58
Fateh Dubai	\$13.59	\$14.27	\$14.82	\$15.16	\$15.57
Mubarak ash-Sharibah	\$14.29	\$15.19	\$15.73	\$16.08	\$16.48

Replying to the journalists' questions, Dr al-'Utaybah said: We have agreed to achieve a 10-percent gradual increase throughout the year so that this will be absorbed by world economy. When the prices are discussed again in 1980, we shall take into consideration the 14.5 percentage that will have been reached by the end of 1979.

His highness explained that the employment of oil as an industrial commodity is as it should be, for there are thousands of industries that concern humanity and in which petroleum is used as a raw material, and there are energy sources that can replace oil. Therefore, we in OPEC feel that oil is not employed at present in an ideal manner.

The minister added that in 1985 the world will face the beginning of a shortage in production owing to the depletion of the oilfields. Therefore, he said, when we talk about the epoch of natural gas, which comes after the epoch of oil and which has already started here, we shall not use it in the same manner as we used oil. We shall use it in better ways.

Speaking about how the conference reached a joint decision, Dr al-'Utaybah said that the gap was wide at the beginning, ranging from 0-20 percent. But the UAE and its president, Shaykh Zayid ibn Sultan Al Nuhayyan, made their best efforts to obtain a reasonable resolution. The other countries responded to the UAE efforts, and thus we reached this unified resolution during the closed session at my residence in the Abu Dhabi Hilton at around 1400 today.

On the basket of currencies, Dr al-'Utaybah said that during our discussions we were convinced to give up the subject of the basket of currencies for the present and to continue adopting the dollar, which has started to show signs of recovery during the past 2 weeks. We shall discuss the subject of the dollar at the next OPEC meeting in Geneva and will decide then in light of its situation. In case a new dangerous drop occurs, there will be an opportunity to study the situation with accuracy.

In reply to a question about the reasonable percentage by which the dollar will be considered as having improved, Dr al-'Utaybah said that this subject requires technical study. He added: I believe that 5 percent will be something reasonable. During the past 8 months, the dollar dropped by 20 percent. Dr al-'Utaybah added that world economy must constantly be taken into account, since we are part of that economy.

Dr al-'Utaybah declared that UAE (Abu Dhabi) has decided not to increase its 1979 oil production. He added: "We will proceed with our same production of 1978, and there is no increase in Abu Dhabi's oil production."

He said that the OPEC members have been advised accordingly.

Dr al-'Utaybah described the OPEC conference in Abu Dhabi as being the most important conference that OPEC has convened. This is because "we have adopted a unified resolution, although certain countries were more inflexible than they were at the Doha conference; nonetheless, we were all convinced of the importance of our unity."

About the possibility of reaching an agreement with the importing countries in an attempt to diminish the progress of the continued price increase by the two sides, Dr al-'Utaybah asserted that hope exists in the positiveness of the dialog between OPEC and the importing countries so that coordination in world economic problems could be achieved. He added: However, I can assert that the oil price issue is a matter that concerns the OPEC states, and it is also a matter of supremacy.

Asked whether it is possible for other countries to join OPEC, Dr al-'Utaybah said: We have repeated our invitation to the oil-producing countries to join OPEC, and every state that joins OPEC will give more strength to OPEC.

Asked if the oil price increase will lead to an increase in the aid given to the developing countries, Dr al-'Utaybah said: We refuse to have taxes or percentages imposed on us; we help the developing countries out of choice and from a humanitarian and fraternal duty.

OPEC Secretary General Comments

JN180801Y Abu Dhabi EMIRATES NEWS AGENCY in Arabic 0700 GMT 18 Dec 78 JN

[Text] Abu Dhabi, 18 December--Rene Ortiz, the new secretary general of OPEC, has stressed that the new oil price increase comes at the right time to rectify the existing world economic situation. Ortiz said that if the critics of the new increase were to carefully study the issue, they would find that the new increase is part of the measures to rectify the course of the world economy.

Speaking to the EMIRATES NEWS AGENCY before leaving Abu Dhabi airport this morning, the secretary general said that the OPEC ministers made their decision after a detailed study of the world economic situation and after making sure that the increase would help rectify the course of the world economy.

Ortiz said that the OPEC countries have responsibilities and duties toward their future generations and toward finding alternative projects when oil is depleted.

The secretary general added: The future generations will not forgive us if we do not build their future. Those countries who have reservations about our decisions must understand that we are building the future of our own peoples.

In conclusion, Ortiz said that he is pleased that the OPEC decision on the oil price increase was unanimous, and that it was taken in an atmosphere of mutual understanding and responsibility after a careful study. This helped maintain the unity of the organization.

INFORMATION MINISTERS TO MEET IN BAGHDAD IN JANUARY

JN141721Y Damascus Domestic Service in Arabic 1615 GMT 14 Dec 78 JN

[Text] Baghdad--The information ministers of the Arab countries that participated in the Arab summit conference in Baghdad will hold a meeting in mid-January 1979 to formulate a unified information working plan for abroad.

An authoritative source at the Iraqi Information Ministry affirmed today that the convening of the conference comes in implementation of the resolutions of the Baghdad summit conference, in order to create an Arab information policy effective worldwide. The plan will take into consideration the unified Arab information plans prepared by the information ministers at their last meeting.

The source said that prior to the meeting of the Arab information ministers, the Arab information experts will meet to study the proposals and working papers submitted by the Arab countries to coordinate them and submit them to the conference.

QATAR

ZAIRE'S PRESIDENT MOBUTU ARRIVES FOR 1-DAY VISIT

NC171028Y Doha QNA in Arabic 0940 GMT 17 Dec 78 NC

[Excerpts] Doha, 17 December--President Mobutu Sese Seko of Zaire arrived in Doha this morning from Jidda for a 1-day official visit to Qatar. The amir of Qatar, His Highness Shaykh Khalifah ibn Hamad Al Thani, was at the head of those welcoming President Mobutu on his arrival at Doha International Airport. The president of Zaire is accompanied by a high-ranking delegation including the ministers of foreign affairs, finance, planning and energy.

Amir, Mobutu Hold Talks

NC171922Y Doha QNA in Arabic 1910 GMT 17 Dec 78 NC

[Text] Doha, 17 December--Official talks were held this evening between the amir of Qatar, His Highness Shaykh Khalifah ibn Hamad Al Thani, and his distinguished guest the Zairian president, His Excellency Mobutu Sese Seko. QNA has learned that the talks centered on development of bilateral relations in various fields and on general Arab-African cooperation. QNA has also learned that their points of view were identical on all the topics discussed.

Mobutu Leaves Doha

NC180845Y Doha QNA in Arabic 0827 GMT 18 Dec 78 NC

[Excerpts] Doha, 18 December--Zairian President Mobutu Sese Seko left Doha this morning after a 1-day visit to Qatar. He was seen off at Doha International Airport by the amir of Qatar, His Highness Shaykh Khalifah ibn Hamad Al Thani.

President Mobutu Sese Seko held talks with the amir, centered on various aspects of bilateral relations. They also dealt with important Arab, African and international issues.

AL-'ARAB ON 'FRAMEWORK' REACHED BETWEEN JORDAN, PLO

NC180928Y Doha QNA in Arabic 0845 GMT 18 Dec 78 NC

[Text] Doha, 18 December--Quoting informed Palestinian sources, the Qatari newspaper AL-'ARAB reports that Yasir 'Arafat may visit Jordan and that the Jordanian-Palestinian dialog will continue.

In a special report, the newspaper says that the framework agreed upon between Jordan and the PLO stipulates that the Palestinians living in Jordan are Jordanian citizens, that they do not have any special political rights and that any political activity in Jordan is subject to Jordanian law.

The framework also stipulates that the two sides will agree in advance regarding any proposed solution for the Palestinian problem. It also stipulates that the affairs of the occupied territories will be dealt with by a committee comprising Jordan and the PLO. The Jordanian Government will also let some PLO members join the executive bureau for the affairs of occupied territory.

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The newspaper says the framework also stipulates that the military presence of the Palestinian revolution in Jordan will be confined to a Palestine Liberation Army battalion. The framework also stresses the need for action to make the friends of Israel adopt a neutral stand and for the PLO to keep away from the policy of axes. Meanwhile, the Jordanian Government is studying the cases of political detainees who are members of the Palestinian revolution factions.

UAE

KUWAITI HEIR APPARENT CONCLUDES TALKS IN ABU DHABI

JN160948Y Abu Dhabi EMIRATES NEWS AGENCY in Arabic 0900 GMT 16 Dec 78 JN

[Text] Abu Dhabi, 16 December--A meeting was held at 1100 today at Al-Musharrif Palace between His Highness Shaykh Rashid ibn Sa'id al-Maktum, the vice president, and Kuwaiti Heir Apparent and Prime Minister His Highness Shaykh Sa'd al-'Abdallah as-Sabah.

The meeting was attended by Kuwaiti Deputy Prime Minister and Foreign Minister Sabah al-Ahmad as-Sabah and UAE Foreign Minister Ahmad Khalifah as-Suwaydi.

The last session of the UAE-Kuwaiti talks was held at 1200 between UAE President His Highness Shaykh Zayid ibn Sultan Al Nuhayyan and the Kuwaiti heir apparent.

Attending the meeting were Vice President Shaykh ibn Rashid al-Maktum; Kuwaiti Deputy Prime Minister and Foreign Minister Shaykh Sabah al-Ahmad as-Sabah; and UAE Foreign Minister Ahmad Khalifah as-Suwaydi. President Zayid ibn Sultan Al Nuhayyan wished the Kuwaiti guest greetings at the end of his visit to the UAE.

Leaves 16 December

JN161345Y Abu Dhabi EMIRATES NEWS AGENCY in Arabic 1250 GMT 16 Dec 78 JN

[Excerpt] Abu Dhabi, 16 December--His Highness Shaykh Zayid ibn Sultan Al Nuhayyan and Vice President His Highness Shaykh Rashid ibn Sa'id al-Maktum were at the airport to see off His Highness Shaykh Sa'd al-'Abdallah as-Sabah, Kuwaiti heir apparent and prime minister. The Kuwaiti leader left Abu Dhabi at 1515 today.

Joint Statement Released

JN161532Y Abu Dhabi EMIRATES NEWS AGENCY in Arabic 1500 GMT 16 Dec 78 JN

['Text' of joint statement issued in Abu Dhabi on 16 December at the conclusion of an official 5-day visit by His Highness Shaykh Sa'd al-'Abdallah as-Sabah, Kuwaiti crown prince and prime minister, to the UAE]

[Text] In response to an official invitation from his Highness Shaykh Rashid ibn Sa'id al-Maktum, vice president of the UAE, His Highness Shaykh Sa'd al-'Abdallah as-Sabah, crown prince and prime minister of the State of Kuwait, paid a visit to the UAE 12-16 Muharram 1399 Hegira, corresponding to 12-16 December 1978, at the head of a delegation of ministers and high-ranking officials.

His highness the great guest and the delegation accompanying him were accorded a cordial fraternal welcome at the official and popular levels, reflecting the ties of fraternity and amity between the peoples and leaders of the two fraternal countries.

The visit was begun when His Highness Shaykh Zayid ibn Sultan Al Nuhayyan, president of the UAE, received His Highness Shaykh Sa'd al-'Abdallah as-Sabah and his delegation. His Highness Shaykh Sa'd conveyed to His Highness President Zayid a verbal message from His Highness Shaykh Jabir al-Ahmad as-Sabah, amir of the State of Kuwait, affirming the sentiments of true brotherhood and sincere desire to work for further cooperation and cohesion between the peoples of the two fraternal countries.

Within a framework of fraternity, understanding and eagerness to protect the interests of the area and its progress, talks took place between the UAE side under His Highness Shaykh Rashid ibn Sa'id al-Maktum and the Kuwaiti side under His Highness Shaykh Sa'd al-'Abdallah as-Sabah. The two sides reviewed all bilateral relations and Arab issues.

On the bilateral level, the two sides discussed aspects of political, economic, cultural and information cooperation. They expressed their great satisfaction for the achievements accomplished in this field. They agreed to form a joint ministerial committee under the foreign ministers of the two countries, including the concerned ministers of the two countries, provided that the committee meet periodically once every 4 months or whenever deemed necessary in order to develop cooperation between them and to follow up the implementation of what has been agreed upon in all fields. The two sides also decided to engage in consultations and coordination in the field of legislation and law in the two countries.

Regarding the economic and commercial field, the two sides expressed a common desire to establish a unified economic system in order to achieve their aims. The sides also agreed to the following points:

1. The allowing of freedom to exercise economic and commercial activity for the citizens of each country in the other country with regard to owning property, shares and companies; a competent committee will convene within two months of the date of this statement in order to define the general rules for this and to submit its recommendations in this regard to the officials of the two countries;
2. The unification of the policy pertaining to customs rules and tariffs, trading companies and the supply of commodities and foodstuffs.
3. The study of unification of law and legislation on the protection of local industries;
4. The encouragement of setting up joint projects between the two countries' citizens;
5. The establishment of a unified gulf company for air freight;
6. The study of a project for constructing a railway line linking the gulf states and the Arabian Peninsula.

The two sides also discussed measures governing citizens' travel between the two countries and showed great interest in the need to study facilitating travel by the two countries' citizens with the use of an identity card instead of a passport.

Regarding education, culture and information, the two sides paid tribute to what has been achieved in cooperation and coordination both on the bilateral and gulf levels. They also stressed the need to continue this cooperation and coordination because of the large role they play in achieving the unity of the people of the region.

A review was also made of higher education affairs, and the sides expressed their readiness to cooperate with the other Arab Gulf states to study the possibility of setting up a specialized unified gulf university that serves the development plans in the region through the Arab Education Office of the gulf states.

While reviewing the gulf situation, the two sides pointed out the delicacy of the situation and called upon all the region's states to exert efforts quickly to achieve the unity of their Arab states, as dictated by religious and pan-Arab ties, as well as by the aspirations of their peoples for the attainment of more progress and prosperity. In this regard, the two sides agreed to continue exerting efforts toward more cooperation and coordination between the states of the region in order to set up a unified political, economic, social and educational plan.

The two sides concentrated their discussion on the Arab situation and the Palestinian cause. Their viewpoints agreed on the need to mobilize all potential to consolidate Arab action for the restoration of the Arab rights in occupied Palestine; for total Israeli withdrawal from all the occupied territories, particularly Jerusalem; and for guaranteeing the rights of the Palestinian people, under the PLO, to establish their independent state and restore their legitimate rights. The two sides welcomed the outcome of this visit as exemplified in the development of relations and consolidation of the close ties between the two fraternal countries.

His Highness Shaykh Sa'd al-'Abdallah as-Salim as-Sabah expressed his great thanks to the UAE president, government and people for the great hospitality and generous welcome accorded to him and the delegation accompanying him. His highness extended an invitation to his brother His Highness Shaykh Rashid ibn Sa'id al-Maktum, UAE vice president, to visit his second country, Kuwait. He accepted the invitation with thanks and promising to fulfil it at the earliest possible time, God willing.

YEMEN--PDRY

DEPARTURE OF SOVIET ECONOMIC PLANNING TEAM REPORTED

LD172056Y Aden Domestic Service in Arabic 1630 GMT 17 Dec 78 LD/EA

[Excerpt] The Soviet economic and technical team left Aden this morning after taking part in drawing up and preparing our country's second economic development plan with Yemeni cadres. The team's participation in drawing up and preparing this plan is in implementation of cooperation agreements between the PDRY and the USSR in the field of economic planning and programming.

YEMEN--YAR

FOREIGN MINISTER HAILS U.S. RECOGNITION OF PRC

JN171358Y San'a' Domestic Service in Arabic 1200 GMT 17 Dec 78 JN

[Text] Commenting on the U.S. recognition of the PRC and the establishment of diplomatic relations with it, Foreign Minister 'Abdallah al-Asnaj said: We regard the U.S. recognition of the People's Republic of China and the establishment of diplomatic relations with it as a historic stage in international relations. This will strengthen world peace and support international detente. In a statement to the SABA' NEWS AGENCY, the minister added: This is also a gain for the Third World countries in particular and mankind in general, for it is an establishment of relations dominated by amity and understanding.

GHALI EXPLAINS EGYPT'S POSITION ON PEACE NEGOTIATIONS

NC161510Y Cairo MENA in Arabic 1420 GMT 16 Dec 78 NC

[Text] Cairo, 16 December--Minister of State for Foreign Affairs Dr Butrus Ghali has reaffirmed that Egypt is still prepared and will always be prepared to embark on constructive negotiations in order to achieve a just and comprehensive peace in the Middle East. However, Egypt will absolutely not agree to signing the draft peace treaty, unless this is coupled on the same day with the signing of the complementary [takmilii] agreement in the form of identical letters to be exchanged on the West Bank and Gaza.

Dr Butrus Ghali has also affirmed that the Egyptian proposals on the Egyptian-Israeli draft peace treaty are compatible with the Camp David agreements.

He said that Israel has claimed that these proposals depart from the "Camp David" framework, bearing in mind that the Egyptian proposals have been put forth to facilitate acceptance of the U.S. proposals. Israel has tried to hide this fact completely. The Israeli Government has not referred at all to the formula proposed by the United States on the letters to be exchanged.

In a statement he delivered today to the two Committees on Foreign Relations and Arab Affairs of the People's Assembly on Egypt's foreign policy, the minister of state for foreign affairs announced that Egypt had accepted the U.S. proposals in principle following the introduction of some amendments into these proposals. These are amendments and clarifications which Egypt has been calling for since the beginning of the process of negotiations in Washington.

Dr Ghali noted that U.S. Secretary of State Cyrus Vance had conveyed to Israel during his recent tour of the Middle East the Egyptian-U.S. proposals related to the identical letters to be exchanged on the West Bank and Gaza. The two sides had agreed on these proposals. However, the Israeli side has rejected these U.S.-Egyptian proposals.

Dr Butrus Ghali also pointed out that Egypt had also made it clear that it is prepared to tackle the problem related to Article VI of the draft treaty. This problem was to be tackled by agreeing with Israel on a relevant written agreement which would conform to the norms of international law. However, Israel has also rejected this proposal.

In his statement, Dr Butrus Ghali explained that Egypt considers the remaining problems concerning the Egyptian-Israeli draft peace treaty of utmost importance. This is so because the problems are connected with the following basic principles:

1. It is imperative that the settlement be a comprehensive one.
2. It is imperative that the settlement should not give Israel a privileged position.
3. It is imperative that the settlement should not jeopardize Egypt's pan-Arab commitments to its Arab nation.

Dr Ghali summed up these issues as two problems: the first problem is the wording of Article VI related to Egypt's obligations to the Arab homeland. He explained that this problem centers on the fact that Israel wants Egypt's commitments to Israel to take priority over all of Egypt's other international and Arab commitments, particularly the joint Arab defense treaty.

Dr Ghali emphasized that Egypt categorically rejects Israel's position because it is incompatible with the norms of international law and international relations. Furthermore, the joint Arab defense treaty is based on the legitimate right to collective defense. Moreover, if Israel is serious about peace, a comprehensive settlement and nonaggression against all Arab states, then there is no justification for Israel's fears of the joint Arab defense treaty.

Dr Ghali said that the second problem concerns the complementary agreement on the West Bank and the Gaza Strip. This agreement will take the form of exchanged and identical letters fixing the dates for the necessary arrangements for bringing autonomy to the West Bank and the Gaza Strip.

Dr Ghali explained that these letters must clearly specify:

1. The date for the beginning of the talks among the parties on the West Bank and the Gaza Strip.
2. The date for holding elections for the Palestinian national council.
3. The date for abolishing the Israeli military government and the withdrawal of the Israeli forces from the West Bank and the Gaza Strip. The letters must also specify the security points in the West Bank and the Gaza Strip where Israeli forces will be deployed.
4. The date for the Palestinian authority to assume power in the West Bank and the Gaza Strip.

Dr Ghali also noted that Egypt has proposed that the full autonomy process for the Palestinians could be started in the Gaza Strip before it is started in the West Bank. He said the Egyptian proposal is based on practical considerations and in no way undermines the fundamental principle, which is that the West Bank and the Gaza Strip are fully linked and united.

In his statement to the People's Assembly, Dr Butrus Ghali explained the objectives of Egypt's foreign policy. He explained that these objectives are summed up in the following five points:

1. To achieve a just, lasting and comprehensive peace in the whole area.
2. To contribute to achieving prosperity for our people and to easing their sufferings.
3. To consolidate Arab solidarity.
4. To bolster African solidarity and to consolidate relations with all the states to which we are linked by the common belief in the principles of nonalignment.
5. To establish balanced relations with all the states on the basis of mutual respect and equality.

In the course of his review of the efforts which Egypt has exerted for a just and comprehensive peace in the Middle East, Dr Butrus Ghali noted the support extended by the Arab states which have stood on Egypt's side while it exerted its peaceful efforts. These states are Sudan, Morocco, the Sultanate of Oman, Somalia, Tunisia and the YAR. In this context, he expressed regret over the attitude which has been taken by certain Arab states belonging to the group which calls itself the rejectionist front. He said that these states represent a rancorous group which bears grudges and which offers no alternatives to the Egyptian move.

Dr Ghali also expressed regret over the fact that the Baghdad conference was convened. He said that Egypt views this conference as a violation of Arab legitimacy, because this conference was held outside the framework of the Arab League. Furthermore, this conference's results have not shown any indication of the real and serious struggle against Israel or a new method for directing the struggle against Israel. Nor have these results offered solution to replace Egypt's serious efforts.

In this respect, Dr Butrus Ghali affirmed that Egypt will always remain the big sister prepared to forgive pettiness and forget differences. He also affirmed that Egypt will stretch out its hand and will extend friendship to all the fraternal Arab peoples to build a bright future for the Arab nation.

Dr Ghali reaffirmed that Egypt will always stand prepared to carry the banner of defending the security and future of the peoples of our area and to cooperate with all the forces which are loyal to the cause of freedom, peace and advancement.

In the course of his statement, Dr Butrus Ghali referred to Egypt's role in bolstering true Arab solidarity and to the experiment of integration between Egypt and Sudan. He said: Egypt considers Sudan as its ally supporting it in all its battles of defending the Arab homeland and the Islamic faith. Egypt considers and believes that it is its constant responsibility to support and safeguard Sudan and to participate in defending it from all dangers threatening or surrounding it.

Dr Butrus Ghali then reviewed some aspects of Egyptian diplomatic moves in the other directions. Referring to Egypt's policy in Africa, he explained that Egypt's firm policy aims at the further development and strengthening of the bilateral and collective relations between Egypt and these fraternal states in the fields of economic, trade and and political cooperation and at extending support for the African peoples who are still under the yoke of colonialism and domination.

Dr Ghali reaffirmed in this regard Egypt's belief in the importance of and need for strengthening the role of the OAU. He also affirmed that it is necessary to resist the plots concocted by foreign forces to dominate the peoples of the African Continent and its resources.

Dr Butrus Ghali pointed out that Egyptian diplomacy made efforts last year to participate in all African activities in the various fields and that it participated in the efforts to promote Afro-Arab cooperation. Moreover, he said, Egypt believes it is necessary to continue to acquaint the African peoples and governments with its efforts to establish peace in the Middle East. In this regard, Dr Butrus Ghali praised the African states which support Egypt in its efforts to achieve a just peace saying: Only a very few states which indulge in the game of policies of strength have deviated from this position.

In the course of his review of Egypt's Africa policy, Dr Butrus Ghali referred to the question of benefits from the waters of the Nile. He said that Egypt supports the idea of calling for the formation of a higher technical committee in which the Nile River Basin states would participate. These are Uganda, Kenya, Ethiopia, Sudan, Egypt, Zaire, Rwanda and Burundi.

He added that in exerting this effort, Egypt wants to preserve its historic right to the Nile River waters in light of the announcements being made to the effect that studies are being conducted for projects in the area of the equatorial lakes or in Ethiopia. Egypt also wants to secure approval for agreements determining the legal status of the river and insuring respect for acquired rights.

As for Egypt's foreign policy toward the Islamic world, Dr Butrus Ghali affirmed that Egypt devotes attention to developing and bolstering its relations with the sisterly Islamic states and to performing its role and assuming its responsibilities for carrying the banner of the Islamic mission.

In the domain of the nonaligned group, the minister of state for foreign affairs said that the nonaligned states will have to play a greater role. He added that it is imperative for these states to assume their responsibilities for defending the security of their regions, achieving political and economic integration and collaboration among themselves, and mapping out a specific strategy which would protect them from foreign intervention and agent forces.

Dr Ghali added that on the basis of this visualization, Egypt is aware of its responsibility and its role. Furthermore, this visualization gives rise to Egypt's belief in the importance of checking the attempts being made by one of the two superpowers to interfere in order to influence the activities of the nonaligned group and to ultimately link this group to the policies and ambitions of this superpower.

He said Egypt is still following developments in this situation with interest. In light of these developments, Egypt will lay down its strategy for a way to effectively participate in the work of the upcoming nonaligned states summit, which is expected to be convened in Cuba sometime in 1979.

Regarding Egypt's foreign policy toward Western Europe and the United States, Dr Butrus Ghali pointed out in his statement that Egypt is progressively promoting its cooperation with these states in the economic field and that it is receiving every support and aid from them.

Dr Butrus Ghali thanked these states for their sincere aid to the Egyptian people in the economic, trade, financial, cultural and scientific fields. He also praised the sincere efforts of the U.S. aimed at achieving a just, comprehensive and durable settlement of the dispute in the Middle East. He said that Egyptian-U.S. relations are governed by mutual respect, noninterference in the domestic affairs of each other and faith in the importance of and need for achieving a just peace in the Middle East.

Regarding Egypt's foreign policy toward the East European states, Dr Butrus Ghali pointed out that by virtue of its long dealings with the Soviet Union, Egypt has discovered that the Soviet Union has inclinations which can only be described as being contradictory at times with the clear and firm principles of the Egyptian foreign policy. He said: We have found out that the Soviet Union is trying to spread its influence in our area by supporting and establishing lame regimes which do not enjoy the support of their peoples. We have also found out that the Soviet Union is trying to interfere in the internal and fateful affairs of our people by exploiting Egypt's need to strengthen its armed forces during the phase of the military confrontation with Israel.

Dr. Ghali reaffirmed that Egypt aims at establishing balanced relations with the two superpowers provided that the Soviet Union does not encroach upon the bases and principles which govern Egypt's foreign policy. Egypt, he added, will continue to harbor friendship and amity to all peoples of the socialist countries as long as these countries refrain from supporting or following policies similar to those of the Soviet Union toward Egypt. In this regard, Dr Butrus Ghali praised the strong relations which link Egypt with Romania and Yugoslavia. He also lauded the stands of Romanian President Nicolae Ceausescu and Yugoslav President Tito.

Concerning the relations between Egypt and the other friendly states, Dr Butrus Ghali pointed to the good relations which link Egypt with China, India, Iran, Japan, Canada and the states of Asia and Latin America.

Turning to the present situation in Iran, he said: We sincerely hope that under the shah's leadership, the Iranian people will successfully work out an appropriate and satisfactory formula for the stabilization of the situation in this vital area.

Speaking of Egypt's role in the international quarters, Dr Butrus Ghali noted that Egypt headed the developing states which held the banner of defending in these quarters the interests of the peoples and countries of the Third World. He added that Egypt has truthfully and sincerely sought to end colonialism and set up balanced economic and political relations among all the states.

Concluding his statement to the People's Assembly, Dr Butrus Ghali explained that Egypt's policy stems from two points. The first point is constituted by the principles which President Anwar as-Sadat has entrenched and which he has derived from the noble moral values in which the president and the Egyptian people believe. The second point is that Egypt's foreign policy is strongly connected with its domestic policies.

PARLIAMENTARY COMMITTEES DISCUSS GHALI STATEMENT

NC162215Y Cairo MENA in Arabic 2138 GMT 16 Dec 78 NC

[Text] Cairo, 16 December--The People's Assembly Foreign Relations and Arab Affairs Committees held a 5-hour joint session this evening. Minister of State for Foreign Affairs and Acting Foreign Minister Dr Butrus Ghali made a statement on the latest developments in the Middle East peace efforts.

After Dr Ghali's statement, the session was held in camera. Chairman of the Arab Affairs Committee Fawzi al-'Amdah said after the closed session that the discussions which followed the statement reaffirmed Egypt's absolute commitment to the comprehensive settlement and the rejection of any partial or temporary settlements and to the placing of Egypt's Arab and international commitments above any other commitments.

Fawzi al-'Amdah added: At the negotiations, the Egyptian negotiator took into consideration all matters related to the implementation of Security Council Resolution 242 on all Arab fronts. He also took into consideration the clear and specific linkage between the Egyptian-Israeli treaty and what will take place in the West Bank and Gaza in accordance with a fixed timetable and within the framework of agreements binding on the Israeli side and the absolute adherence to the Arab point of view on Jerusalem. Fawzi al-'Amdah further said: The Egyptian negotiator has devoted great attention to the security measures and the question of balancing them on both sides, gradual normalization of the relations and its linkage with the timing of the stages of withdrawal from Sinai, the establishment of the Palestinian national council in the West Bank and Gaza, termination of Israeli military rule there and the safeguarding of the rights of Egypt and the Arab states to sovereignty over their territories and territorial waters in accordance with international law.

Fawzi al-'Amdah went on: The discussions have emphasized that Egypt, in its quest to achieve a just and comprehensive peace in the area, is following a certain strategy which places the Arab national interests above all considerations.

Fawzi al-'Amdah added: The Foreign Relations and Arab Affairs Committees have emphasized that the Egyptian negotiator must adhere to his position, that he must reconsider certain provisions of the treaty and that he must adhere to his position on the linkage between the Egyptian [as received] treaty and the just settlement of the Palestinian problem.

GHALI MAKES STATEMENT TO OCTOBER MAGAZINE

NC170905Y Cairo MENA in Arabic 0812 GMT 17 Dec 78 NC

[Text] Cairo, 17 December--Minister of State for Foreign Affairs Dr Butrus Ghali has emphasized that the peace negotiations have not stopped and have not been frozen, but some obstacles have appeared. These obstacles, he says, show Israel's inability to absorb the Palestinian reality on the one hand and the Egyptian Arab commitments on the other.

The minister of state adds: God willing, we will overcome these obstacles just as we managed to overcome other obstacles in the past.

In a statement published today by OCTOBER magazine, Dr Butrus Ghali says that he is satisfied with the results of U.S. Secretary of State Cyrus Vance's recent talks. Evidence of this, he adds, can be seen in the statements made by President Jimmy Carter and all the U.S. officials.

In his statement to the magazine, Dr Ghali says that there is a political aspect and a legal aspect to the question of Egypt's commitments to Israel under the peace treaty and whether they should have precedence over Egypt's commitments under the Arab joint defense pact. Regarding the legal aspect, the minister of state says that Egypt's commitments under the Arab joint defense pact undoubtedly take precedence because they are commitments based on the legitimate right to collective defense as stipulated in Article 51 of the UN Charter. He adds that the legitimate right of defense is a natural thing, either at the individual level or at the international level.

Regarding the political aspect, Ghali says that Arab collective security opposes any aggression against any Arab state. If, he adds, Israel has no intention of committing aggression against any Arab state, it has nothing to fear, but if it commits aggression against an Arab state it would annul the Egyptian-Israeli treaty, because, according to collective Arab security, any aggression against an Arab state is an act (against) security and peace in the area, which are the very objectives of the Egyptian-Israeli treaty.

Dr Butrus Ghali said in his interview with OCTOBER that there is no difference between the binding power of an international contract in the form of exchanged letters and a treaty written in a single document. He pointed out that there is no difference between the two from the standpoint of their political value. The proof of this is the existence of political issues which were dealt with in the form of exchanged letters, including the alliance between France and Rhodesia on 27 August 1891, the agreement between France and Spain on the interpretation of the first article of the consular agreement between them, the alliance between France and England to confront the Hitlerite danger, the Munich agreement between Germany, France and England to concede the Sudeten Region to the German Reich, and the agreement between Egypt and the United Nations regarding the UN emergency forces after the 1956 aggression.

Regarding the linkage between Egyptian-Israeli relations, which are in the form of a treaty, and the future of the West Bank and the Gaza Strip, which is in the form of separate letters, the minister of state for foreign affairs said that a clear reference will be made in the exchanged letters to the Egyptian-Israeli treaty, and the United States will be considered the guarantor for the two agreements and it will pledge to follow up the implementation of the agreements. He said that the two agreements will be signed by the same sides and at the same time.

Concluding his statement, Dr Butrus Ghali affirmed that the proof of Egypt's goodwill lies in the fact that the peace initiative, with all the measures involved to date, is the legitimate son of President Anwar as-Sadat, who is avidly seeking to achieve just and permanent peace in the area.

CAIRO COMMENTATOR BLAMES ISRAEL FOR IMPASSE IN TALKS

NC161445Y Cairo Domestic Service in Arabic 1230 GMT 16 Dec 78 NC

[Sami Hasan Sirri commentary]

[Excerpts] During the past 24 hours, the efforts exerted for peace in the Middle East have reached a crisis point due to several factors. The most important of these factors is Egypt's insistence on its principles and its position. Egypt has been expressing these principles and this position since the beginning of the peace initiative and during the Washington talks.

Another one of the most important factors which has fostered the crisis in the peace efforts is Israel's evasive attitude, which denotes a false intention concerning the establishment of self-rule in the West Bank and Gaza by the end of 1979.

Israel's attitude reached its peak yesterday when the Israeli Government decided to reject the recent Egyptian proposals and the U.S. interpretation of these proposals, despite the fact that these proposals are compatible in letter and spirit with the Camp David agreement.

U.S. President Carter has expressed feelings of strong disenchantment with Israel's attitude. President Carter has said that Egypt has done everything it can and now the decision is in the hands of the Israelis.

We can determine with complete confidence that since President as-Sadat's historic peace initiative, Egypt has succeeded to a large extent in proving to the whole world how Egypt is sincerely seeking a just and lasting peace. Egypt has also succeeded in exposing Israel before the whole world and in revealing the false claims with which Israel's leaders have filled the world about their desire for peace and the Arabs' refusal to peacefully coexist with the Israelis.

It is now clear to us that Israel is the target of all the criticism and the feelings of denunciation and anger, particularly within the United States itself. These feelings have been expressed by U.S. President Carter and also by Senator Byrd, leader of the Democratic majority in the Senate, following a tour of the Middle East at President Carter's behest.

After all these things, we cannot see matters continuing to perpetually run into stumbling blocks just because Israel adheres to its position of impeding the peace efforts. There can be no doubt that Egypt is now studying all the possibilities. Egypt is fully aware of the nature of the ground on which it stands.

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Egypt will not halt its efforts for a just and honorable peace. Egypt is convinced that the world will not tolerate any procrastination and any attempts to tamper on the part of Israel's leaders. This is so because matters are following a different course in the wake of the Egyptian peace initiative. The Israelis cannot control this course or divert it in accordance with their old wornout whims and ambitions.

ROSE AL-YUSUF: REJECTION FRONT IN CONTACT WITH ISRAEL

NC170740Y Cairo MENA in Arabic 0700 GMT 17 Dec 78 NC

[Text] Cairo, 17 December--In its 18 December edition, the weekly magazine ROSE AL-YUSUF, citing reliable sources, says that secret contacts have been held between Israel and four Arab organizations belonging to the so-called rejection front. The aim of these contacts, the magazine says, is to arrange a dialog with the Israeli leaderships inside Israel. It adds that some leaders of one of these organizations, known for its strong link with the Iraqi Ba'thists, will visit Israel within the next few weeks.

ROSE AL-YUSUF also says that another one of these organizations is a PLO member and has strong links with Abu 'Ammar, that the third organization is aligned with the Syrian Ba'thists, and that the fourth organization is Marxist.

EGYPT WELCOMES ESTABLISHMENT OF U.S.-PRC RELATIONS

NC171338Y Cairo Domestic in Arabic 1230 GMT 17 Dec 78 NC

[Text] Commenting on the decision by China and the United States to establish diplomatic relations, a Foreign Ministry responsible source has stated that Egypt, which maintains close relations of friendship and cooperation with the governments and peoples of China and the United States, hails this important positive step, which has restored their relations to their normal course. This step has been demanded and awaited by the international community for many years, as a basic contribution to the establishment of pillars of peace, security and stability in the Middle East.

The source said that this development undoubtedly serves international peace and security and contributes to the establishment of balanced and correct relations not only in east and Southeast Asia and the Pacific Ocean area, but also in the world as a whole.

Concluding his statement, the source said that while working seriously for the achievement of permanent and just peace in the Middle East, Egypt supports all constructive steps which are consistent with the bases of international justice and legitimacy and the policy of peaceful coexistence. Egypt hopes and trusts that the peoples of China and the United States will succeed in enjoying the fruits of peace and constructive cooperation.

PEOPLE'S ASSEMBLY MEETS EUROPEAN PARLIAMENTARY GROUP

NC171533Y Cairo Domestic Service in Arabic 1230 GMT 17 Dec 78 NC

[Text] The People's Assembly held a special session today under its speaker Dr Sufi Abu Talib. The session was held on the occasion of the visit of the president of the European Parliament, Emilio Colombo, and members of the delegation accompanying him.

The session began with a speech by Assembly Speaker Dr Sufi Abu Talib, who welcomed the president and delegation of the European Parliament.

He said: This visit, which comes after signing the cooperation agreement between Egypt and the European Community last year, confirms the common desire to bolster cooperation between the Egyptian People's Assembly and the European Parliament in order to consolidate the understanding among our peoples and cement the historic ties among the peoples of the Mediterranean. He added: Egypt and the Arab world are following European events with great interest. He praised the role of the European Community in the Middle East problem. He said: We recall with pride and appreciation the European Parliament's unanimous decision of mid-December 1977 supporting the brave initiative of President as-Sadat's visit to Jerusalem. We also recall with pride and appreciation the European Parliament's unanimous decision of 11 October 1977 announcing its readiness to support and back the Camp David negotiations.

Dr Sufi Abu Talib then spoke about the current Egyptian-Israeli negotiations, which have reached a critical and delicate stage. He said: Egypt has adhered to the text and spirit of the Camp David accord in order to achieve a durable, comprehensive and just peace. President Carter has gone as far as to say that President as-Sadat has been very generous in his stands at the peace negotiations. If the rights of the Palestinian people are the core and essence of the problem, then peace in the area will not be comprehensive and complete if there is no actual linkage between the peaceful settlement in Sinai and the establishment of self-rule in Gaza and the West Bank in accordance with a fixed timetable, if the Israeli occupation and military and civilian rule are not terminated and if Egypt is not enabled to fulfill its national commitments toward the fraternal Arab states, foremost of which are its commitments stemming from the joint defense agreement with the Arab states.

The People's Assembly speaker added: World public opinion is a witness today to the Israeli intransigence. Israel must reconsider its position. The peoples of the world support the Arab right and back the steps by President as-Sadat in his quest for peace.

After this, the president of the European Parliament, Emilio Colombo, delivered a speech in which he said: Egypt, under the leadership of President as-Sadat, is a state which has manifested extraordinary political bravery in many fields. He added: It will always be our aim to reach an agreement with it not only to contribute to economic and social development but also to establish good relations among the peoples.

Minister of State for the People's Assembly Affairs Hilmi 'Abd al-Akhir made a speech in which he said: The Egyptian people always remember that the voice of Europe was strong and brave in the support of right. Europe has been sincere in its friendship and cooperation.

Leader of the Socialist Labor Party Engineer Ibrahim Shukri then spoke in the name of the opposition. He welcomed the European Parliament's delegation. He demanded that Egypt should have some kind of representative to attend the European Parliament's meetings in order to bolster relations with the EEC states.

Egyptian People's Assembly Speaker Dr Sufi Abu Talib and President of the European Parliament Emilio Colombo then exchanged souvenirs. The session was then adjourned and the assembly convened in ordinary session half an hour later.

SADDAM HUSAYN RETURNS AFTER VISITS TO USSR, CUBA

JN180744Y Baghdad INA in Arabic 0730 GMT 18 Dec 78 JN

[Excerpt] Baghdad, 18 December--Saddam Husayn, assistant secretary general of the Arab Socialist Ba'th Party and vice chairman of the Revolution Command Council, and the delegation accompanying him returned to Baghdad this morning at the end of an official visit to the Soviet Union and Cuba. The two visits lasted 1 week.

Received by President

JN180745Y Baghdad INA in Arabic 0732 GMT 18 Dec 78 JN

[Text] Baghdad, 18 December--President Ahmad Hasan al-Bakr received here this morning Revolution Command Council Vice Chairman Saddam Husayn on the occasion of the completion of his visits to the Soviet Union and Cuba. Saddam Husayn returned to Baghdad earlier today.

AL-JUMHURIYAH PRAISES IRAQI-SOVIET RELATIONS

JN150933Y Baghdad INA in Arabic 0840 GMT 15 Dec 78 JN

[Excerpts] Baghdad, 15 December--The newspaper AL-JUMHURIYAH in its editorial today praises Iraqi-Soviet relations. It says that cooperation between the two countries has laid the bases for unprecedented exemplary relations. These relations, the paper adds, contain the basic components for continuity and for achieving mutual interests.

AL-JUMHURIYAH continues: Iraqi-Soviet relations have passed through two stages since the 17 July 1968 revolution. The first stage was the consolidation of cooperation and its elevation to the level of a new enlightenment; and second was a new period in the relations under the slogan raised by the Arab Socialist Ba'th Party--"The Strategic Alliance."

The paper asserts that the slogan of strategic alliance with the Soviet Union and the other socialist countries is a sound slogan from the principle and practical aspects. This slogan is in harmony with the Ba'th Party's principles, objectives and pan-Arab tasks. It is also in harmony with the interests of the Arab nation and its pan-Arab and liberation struggle.

AL-JUMHURIYAH says that the Iraqi-Soviet statement which was issued at the end of Saddam Husayn's visit put on record the joint stands of the two countries in stressing the importance of continuing the contacts and negotiations between the leaders of Iraq and the Soviet Union for the sake of developing bilateral relations and joint cooperation. The paper adds that Saddam Husayn and the Soviet leaders showed great concern for the tense situation that has been created by the Zionist expansionist and aggressive policy supported by the imperialist circles.

AL-JUMHURIYAH affirms that Saddam Husayn's visit to the Soviet Union confirms the desire of the political leadership in Iraq to continue to strengthen the ties of friendship with the Soviet Union because this friendship is a historic gain that should be applauded by all countries at this stage, since imperialism and Zionism are trying to drive a wedge in the Arab ranks and achieve separate solutions at the expense of the pan-Arab interests.

The paper points out that the party and state visits between the two countries, particularly those of President Ahmad Hasan al-Bakr and Saddam Husayn to the Soviet Union and the visit by Chairman of the USSR Council of Ministers Aleksey Kosygin, are signs indicating the development of these relations in the service of the two friendly peoples and the peoples firmly confronting imperialism, Zionism and reaction.

OIL MINISTER RETURNS FROM ABU DHABI, MAKES STATEMENT

JN172020Y Baghdad INA in Arabic 1950 GMT 17 Dec 78 JN

[Text] Baghdad, 17 December--Tayim 'Abd al-Karim, Revolution Command Council member and oil minister, returned to Baghdad this evening after heading Iraq's delegation to the OAPEC 21st Ministerial Council and the 52d OPEC ministerial meeting, which were held in Abu Dhabi 12-17 December.

In a press statement Tayih 'Abd al-Karim said that the OAPEC Ministerial Council approved the organizational and administrative matters pertaining to the establishment of an Arab oil training institute in Baghdad. The council also discussed several studies and reports related to the unification of the Arab oil-refining policy and to the building of a drydock in one of the member states overlooking the Mediterranean.

He said that the OPEC Ministerial Council discussed oil price rectification--prices had been frozen for the past 2 years. The minister added that the conference reached agreement despite the political and information clamor fabricated by the industrial countries, particularly the United States, with the aim of obliterating the facts on monetary inflation exported to the oil countries, which exceeded 58 percent during 1977-78. This is in addition to the losses that have befallen the purchasing power of oil revenues resulting from the dollar deterioration--the dollar used for pricing the oil of the oil-producing countries.

The oil minister said that the Iraqi delegation was eager to achieve a reasonable minimum limit to make up for part of the losses that have befallen the OPEC states and harmed their development plans. The Iraqi delegation was also eager to maintain unity in the OPEC ranks and to prevent imperialist and extortionist pressure from driving a wedge into this unity and weakening it.

He said that after lengthy and extensive meetings the conference adopted a collective resolution to modify prices, effective 1 January 1979, in a gradual manner. The increase will begin with a 5-percent raise and then be increased on a compound basis every 3 months: 3.809 percent at the beginning of the second quarter of the year, 2.294 percent at the beginning of the third quarter and 2.691 at the beginning of the last quarter. The average price increase throughout the year will be 10 percent.

The oil minister pointed out that despite the fact that this increase was only approved after continued efforts to unify the views and stands, in our opinion it is not adequate to make up for the losses that OPEC has incurred during the past 2 years. [passage indistinct]

MORE ON KING HUSAYN'S EUROPEAN TOUR

Envoy Hails French Visit

JN151926Y Amman Domestic Service in Arabic 1900 GMT 15 Dec 78 JN

[Text] Jordanian Ambassador in Paris Tahir al-Masri has declared that the results of His Majesty King Husayn's visit to France were positive and will reflect on relations between the two countries in all the economic, cultural and tourist fields.

Ambassador al-Masri said that the cordial welcome accorded to His Majesty King Husayn in Paris clearly indicates the appreciation of and interest in King Husayn's views and the importance of Jordan under his leadership in the international scene.

French Prime Minister on Visit

JN151928Y Amman Domestic Service in Arabic 1900 GMT 15 Dec 78 JN

[Text] French Prime Minister Raymond Barre said that his country is prepared to participate with all possible means in the international area in working to achieve a comprehensive peace in the Middle East.

In a statement to the JNA correspondent in Paris, Barre said that France's position is completely identical with Jordan's position in demanding the achievement of a just and comprehensive peace in the area through full Israeli withdrawal from the Arab area occupied in 1967 and recognition of the legitimate rights of the Palestinian people, since the Palestinian issue is the crux of the Arab-Israeli dispute.

Speaking about the Jordanian-French talks, Barre said that the talks His Majesty King Husayn had with French President Valery Giscard d'Estaing led to an identity of views between them. He described Jordanian-French relations as excellent. He said we are working to strengthen these relations in all fields for the interest of the two peoples.

Husayn Meets With Pope

JN151633Y Amman Domestic Service in Arabic 1600 GMT 15 Dec 78 JN

[Excerpt] His Majesty King Husayn met at the Vatican at noon today with His Holiness Pope John Paul II.

Chief of the Hashemite Royal Court Sharif 'Abd al-Hamid Sharaf said that His Majesty King Husayn discussed with his holiness the pope various international issues of interest to his holiness and to his majesty, particularly the current situation in the Middle East area and its developments. They totally agreed that the area will not witness stability and just peace unless a comprehensive, just settlement of the various aspects of the dispute in the area is achieved, particularly justice for the Palestinian people in line with clear humanitarian and international rights.

His majesty emphasized the elements of the Jordanian position and Jerusalem's special status in Arab and human history, as well as the significance of Jerusalem for the Arab nation and the world. They also discussed the situation in Lebanon and emphasized the need to achieve security and stability in it and to build its unity and the unity of its people on the basis of reconciliation and national unity and the spirit of love.

Leaves for London

JN151816Y Amman Domestic Television Service in Arabic 1800 GMT 15 Dec 78 JN

[Excerpt] His Majesty King Husayn, Her Majesty Queen Nur and the accompanying delegation left Rome for London this afternoon on the third leg of his majesty's tour of several European countries to explain the Jordanian and Arab stands on current developments in the Middle East.

Arrives in London

JN152123Y Amman Domestic Service in Arabic 2100 GMT 15 Dec 78 JN

[Excerpt] His Majesty King Husayn, Her Majesty Queen Nur and the accompanying delegation arrived in London this evening on a visit of several days to the United Kingdom, during which his majesty will meet with Her Majesty Queen Elizabeth II and with British Prime Minister James Callaghan; Dr David Owen, secretary of state for foreign and commonwealth affairs; and a number of officials and party leaders.

PLO DELEGATION ARRIVES IN AMMAN TO RESUME DIALOG

JN161306Y Amman Domestic Service in Arabic 1200 GMT 16 Dec 78 JN

[Text] A PLO delegation headed by Hamid Abu Sittah, member of the PLO Executive Committee, arrived in Amman today from Damascus via Ar-Ramtha. The delegation will resume talks with Jordanian officials.

The PLO delegation is made up of Mahmud 'Abbas, Tawfiq Ihsan Salhah and Col Bahjat al-Amin.

VOP Reports on Talks

JN171625Y Voice of Palestine [Clandestine] in Arabic to the Arab World 1530 GMT 17 Dec 78 JN

[Text] Talks between the PLO delegation under brother Hamid Abu Sittah, PLO Executive Committee member, and the Jordanian delegation under Prime Minister Mudar Badran began in the Prime Ministry in Amman this morning. The PLO delegation, which includes brothers Abu Mazin Mahmud 'Abbas, member of the Fatah Central Committee, and 'Abd al-Jawad Salah, PLO Executive Committee member, arrived in Amman yesterday to resume the Palestinian-Jordanian talks on the state of affairs of our people in the occupied homeland and on aborting the treasonous plots at Camp David and their results. Yesterday upon arrival, the delegation held a preparatory meeting with 'Adnan Abu 'Awdah, Jordanian minister of information. It is noteworthy that the PLO Executive Committee had discussed the (?task of the committee) during its meeting on Thursday.

AR-RA'Y: U.S. DECISION ON TAIWAN WILL NOT AFFECT ISRAEL

JN171031Y Amman AR-RA'Y in Arabic 17 Dec 78 pp 1, 11 JN

[Editorial: "Interests and Treaties"]

[Text] By severing its diplomatic relations with Taiwan and abolishing the defense treaty with it, the United States has demonstrated to the whole world that politics are based on individual interests and not on any other consideration.

Despite the vast, wide-ranging and vital U.S. interests in the Arab world, the U.S. attitude toward Israel has remained an exception to this political rule to the extent that Washington might even be willing to sacrifice these interests for the sake of Israel, despite the latter's alleged alarm over the U.S. decision concerning Taiwan.

Israel knows better than anyone else that its existence is a U.S. commitment. This interest supersedes all other interests in the area. Israel is an exception to the rule governing international interests. The reason is simple: It is the Jewish lobby's influence on U.S. foreign policy.

Therefore, for Israel the U.S. decision is another occasion for blackmail to reinforce the opinion that a strong Israel is the only guarantee for peace in the area.

This aspect of the U.S. decision must be understood by those who have placed all the cards of the dispute in Washington's hands, making it a full partner in the negotiations to the extent that it has become difficult to identify the partners because of the many mixed roles and cards. Those who do not represent any real interest for U.S. policy beyond expressions such as "dear Henry" and "my friend Carter," can have no influence on the existing international equation, which is based on mutual interests, and they have no real guarantee that Washington will stand on their side.

The United States and other countries are motivated by their own interests. The need to safeguard interests is the only basis for dealings among nations, regardless of the fact that Israel is the exception to all rules.

AD-DUSTUR ON ISRAEL'S REJECTION OF EGYPTIAN PROPOSALS

JN160928Y Amman Domestic Service in Arabic 0515 GMT 16 Dec 78 JN

[Press review]

[Text] Under the headline "The Israeli Strategy and Peace" the newspaper AD-DUSTUR says that the negative results of the U.S. efforts and the generous Egyptian concessions to reach a peace agreement with Israel, praised by President Carter, came as no surprise to those who understand Israeli logic. This logic has not changed at all since President as-Sadat began his initiative, since the meetings he held with Begin in Ismailia and Camp David, the visits to the area by Atherton, Saunders and Byrd, completed by Vance's recent departure to Washington empty-handed.

The Israeli logic refuses to accept anything other than a full and unconditional recognition of its greed for expansion, coupled with public guarantees from the Arabs that they will agree to strip the Palestinian people of their rights.

Even though the Camp David agreements have provided Israel with guarantees it never dreamed of and left the door open for the legalization of the Israeli presence in the West Bank and Gaza through the autonomy plan, Israeli logic has resorted to its usual way of thinking when steps become active to translate the Camp David agreements into a peace treaty with Egypt. This logic refuses to accept anything but a full, comprehensive, clear and public recognition of Israeli greed. For that purpose Begin has used all the no's available. He has said no to regaining Arab land, no to Arab sovereignty, no to checking settlements and no to the Palestinian people's rights.

The Israeli logic considers peace Israeli's fiercest enemy. It considers it a threat to Israel's internal cohesion, which has always been based on a state of alert and tension. Israeli leaders have always tried to keep this threat alive to enable them to keep Israeli society in a state of alert and to keep internal contradictions from blowing up.

The Israeli logic considers peace a chain which may restrict or hinder its greed for expansion, because it will rob it of the pretext of continuing its actions to achieve this expansion, at least in the eyes of the world. It will also limit the blackmail operation Israel is currently exercising at the international level by claiming self-defense.

Therefore, we see Israeli strategy seeking to achieve a set target by one of two methods: Either it obtains a public Arab recognition of all its greed, ranging from land to sovereignty and settlement on it, removal of the Palestinian people from this land, and political and economic infiltration of the Arab area as a price in advance for the dangers of peace which Israel fears; or it continues its strategy in a state of no peace, no war, which, according to Israel's concept, will constitute a suitable atmosphere for more expansion and blackmail, for preserving the cohesion of Israeli society, awaiting future opportunities to carry out new adventures aimed at subjugating the Arabs and fulfilling by force the same greed for the land, sovereignty and infiltration of area.

It goes without saying that the Israeli strategy and peace according to the Arab and even the U.S. concept are contradictory. For this reason it was not strange that Israel turned its back on U.S. efforts, despite what they contained, because they do not meet or achieve the Israeli target in full.

The time has come for Washington and Cairo to become convinced of these results after all that has taken place, so they will have the opportunity to participate together in resorting the cause to the international arena, the most suitable place, where the world will be allowed to stand decisively against this evil Israeli strategy. The world then will give Israel the choice of accepting a just and honorable comprehensive peace based on UN resolutions and the will of the international community, or face the consequences of its defiance of the whole world.

JORDANIAN TRANSPORT MINISTER LEAVES FOR DAMASCUS

JNL61653Y Amman JNA inArabic 1525 GMT 16 Dec 78 JN

[Excerpt] Amman, 16 December--Transport Minister 'Ali as-Suhaymat today left Amman for Damascus to attend the meetings of the board of directors of the Jordanian-Syrian Company for Land Transport, which will begin its meetings today. The meetings will last 2 days. As-Suhaymat will also attend the meetings of the Syrian-Jordanian Company for Maritime Transport, which will begin tomorrow, Sunday.

BRIEFS

ARGENTINE, OMANI AMBASSADORS--His Highness Crown Prince Hasan the regent received at the Royal Hashemite Court this morning the credentials of the Argentine and Omani ambassador ambassadors to Jordan. [Amman Domestic Television Service in Arabic 1800 GMT 17 Dec JN]

NEW AMBASSADOR TO SUDAN--Mr 'Izzat 'Awdah today took the constitutional oath before Crown Prince Hasan the regent in the Royal Hashemite Court as Jordan's ambassador to the Democratic Republic of Sudan. [Text] [Amman Domestic Service in Arabic 1200 GMT 17 Dec 78 JN]

IRANIAN UNIFIL CONTINGENT TO BE WITHDRAWN

NC160715Y Voice of Lebanon [Clandestine] in Arabic to Lebanon 0615 GMT 16 Dec 78 NC

[Text] It has been learned from the UNIFIL command headquarters in An-Naqurah that the Iranian UNIFIL contingent will leave Lebanon at the end of next month. Some sources said that this is connected to a great extent with the internal situation in Iran.

This Iranian move comes in the wake of a French move to withdraw a large part of the French contingent in Lebanon in the latter half of next month.

AL-HUSS MEETS WITH SARKIS, MAKES STATEMENT

NC181100Y Beirut Domestic Service in Arabic 1000 GMT 18 Dec 78 NC

[Text] At 1000 today, President Ilyas Sarkis held a working meeting attended by Prime Minister Dr Salim al-Huss to review the general situation in the country. Upon leaving the Republican Palace after the 45-minute meeting, Al-Huss said: I briefed President Sarkis on the broad lines of the statement I will make at the Chamber of Deputies' session tomorrow in the debate on implementation of the Bayt ad-Din resolutions. We discussed the general situation, particularly the security situation and the measures being adopted to consolidate it. We also discussed the reopening of the port and the reactivation of the Lebanese economy, including the return of hundreds of employees and workers to their work and to that vital sector which is the source of their disrupted income and the lifeline of the Lebanese economy.

Asked about the reopening of the port of Beirut, Al-Huss said: Information so far indicates that most of the employees and workers reported for work at the port this morning, although activity there was naturally slow. But it will gradually increase in time.

FOREIGN MINISTER BUTRUS MEETS WITH PIERRE AL-JUMAYYIL

NC161601Y Beirut Domestic Service in Arabic 1400 GMT 16 Dec 78 NC

[Text] Foreign Minister Fu'ad Butrus met for 1 hour with Shaykh Pierre al-Jumayyil today. Following the meeting Al-Jumayyil said the talks had been positive. He added: We discussed all matters. We requested a review of the security plan so that it would become more effective and useful.

Shaykh Pierre al-Jumayyil said: We support the army, which is the backbone and one of the three mainstays of the country. The other two mainstays are the presidency and the Ministry of Justice.

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LEBANON

VOICE OF LEBANON REPORTS SNIPER FIRE IN BEIRUT

NC181008Y Voice of Lebanon [Clandestine] in Arabic to Lebanon 0930 GMT 18 Dec 78 NC

[Text] The security test in the capital appeared successful on its first day, and patrols of the internal security forces are being deployed in most streets and roads. Heavy traffic is reported on Fu'ad Shihab Bridge, Riyadh as-Sulh Square and Al-Burj, and partial activity is reported in the Beirut port, which is normal on the first trial day.

However, intermittent sniper fire is reported in the Badaru area. Snipers in some traditional positions opened fire on Badaru Street and Hursh al-Kufuri; one woman was hit in the leg and a security man was slightly wounded.

ARTILLERY EXCHANGES, ISRAELI OVERFLIGHTS REPORTED IN SOUTH

NC171755Y Voice of Lebanon [Clandestine] in Arabic to Lebanon 1715 GMT 17 Dec 78 NC

[Text] Correspondents in southern Lebanon report that there has been a 7-hour artillery exchange between the Marj 'Uyun and Al-Hasbani areas and that at least five civilians have been injured. The correspondents add that the shelling was aimed at the Lebanese unit deployed in Kawkaba and the Nepalese UN force.

A competent source has said that although the exchange has stopped, the situation continued to be tense all day Sunday. Some Israeli fighter planes have been seen overflying the south.

DAMASCUS SAYS HAIT IN TAIKS IS PART OF GAME

JN151354Y Damascus Domestic Service in Arabic 1215 GMT 15 Dec 78 JN

[Unattributed commentary]

[Excerpt] How far have the steps gotten that are being carried out by the parties to the Camp David plot to conclude a separate and final peace between the Egyptian regime and the Zionist enemy? Why has Vance cut short his shuttle between Cairo and Tel Aviv so ostentatiously? What is the truth of the news on the presence of alleged differences between these parties?

The observer who follows closely these developments and interactions that are taking place between Washington, Cairo and Tel Aviv can instantly affirm that the separate peace treaty between Egypt and Israel has actually been accomplished regarding form and content. What remains is only to initial it and announced it officially. This fact, which was hinted at by Vance and affirmed by As-Sadat at the same time, gives a strong reply to all maneuvers and allegations made by the parties to the Camp David plot at present to split the Arab ranks anew and try to take the Egyptian regime out of the deadly seclusion overwhelming it, as well as to recreate the cards in the region in a mysterious and multicolored manner so that the result will be the loss of the landmarks of truth before Arab public opinion and the placement of As-Sadat's capitulatory equation in a new, serious framework.

It seems that in Washington's viewpoint, the new phase of the plot requires lingering a bit and stopping at some prominent headlines. The main aim of this exposed game is to try to outflank the positive developments that have been taking place for some time in the Arab region and to make use of this or that circumstance for the benefit of the big plot Israel is trying to peddle in the occupied Arab territories. What actually draws attention in this play, whose roles have been distributed in a narrow and careful manner, is As-Sadat's action of making large changes inside the Egyptian Army and his feverish work to transform it into an army of services as well as a tool of oppression and terrorism. This is taking place at the same time the news media report that Israel is using the drinking water to spread sterility among the Arab inhabitants in the occupied Arab territory in a serious, or rather very serious, attempt to eliminate the human race there and commit ugly massacres against the women and children.

It is noticeable that these two new matters coincide with Cyrus Vance's interruption of his shuttle between Cairo and Tel Aviv and his return to Washington very dramatically. This time the process surpassed the limits of spontaneity and turned into something like an instrument or programmed collective dance. Even the talk about the emergence of alleged differences between Washington and Israel on the one hand, and between Cairo and Tel Aviv on the other, is also part of the propaganda campaigns waged against the Arab nation. The success of the parties to the Camp David plot in propagating such news and maneuvers simply means the achievement of some cheap political gains required by As-Sadat at present, when he is able to continue performing his capitulatory role in the ideal manner.

This analysis is not far from reality, because all these acts and activities will eventually reach and pour into the main channel of providing the best possible conditions to produce the separate peace treaty between the Egyptian regime and the Zionist enemy in a manner that secures for it the minimum limit of acceptance to the latter.

On this basis it can be said that the title of the U.S. scenario at this stage is the obliteration of the landmarks of truth in any possible form and the granting of the Zionist enemy a break to carry on with the implementation of the self-rule plot against the inhabitants of the occupied West Bank and Gaza Strip. This scenario, whose links have been disclosed by the U.S. secretary of state through his shuttle tour between Cairo and Tel Aviv, will not stop at the visualized limits but will eventually exceed all practical developments and calculations.

ATH-THAWRAH VIEWS VANCE'S TOUR, CHANCES FOR SETTLEMENT

JN160815Y Damascus Domestic Service in Arabic 0415 GMT 16 Dec 78 JN

[From the press review]

[Text] ATH-THAWRAH comments on its second page on Cyrus Vance's recent shuttle tour between Cairo and occupied Palestine with the aim of saving the unilateral settlement treaty from the current deadlock and pushing it toward actual implementation.

ATH-THAWRAH says: There is no doubt that Vance's travels between Cairo and Tel Aviv have already achieved 90 percent of the overall settlement. These travels have accomplished compromises for most of the artificial differences between As-Sadat's regime and the Zionist entity. This was reconfirmed by an official source of As-Sadat's Foreign Ministry. However, the remaining 10 percent of the settlement, which has been described as that on which success or failure hinges, is still in the hands of the United States. The United States is only waiting for the right time so it can reveal the settlement of this 10 percent in a very dramatic way so as to save As-Sadat's face and end the isolation imposed on him. The United States sees Cyrus Vance's recent travels as the requested formula to implement the unilateral settlement. As was announced by Moshe Arens, chairman of the Knesset Committee on Foreign Affairs and Security, Israel is laying down conditions for signing the agreement with As-Sadat's regime. These conditions can be summarized as: The United States must offer clear and firm guarantees for supporting the redeployment of the Israeli forces in the Negev. The cost of the redeployment will amount to \$4 billion.

ATH-THAWRAH concludes: It has now become crystal clear that the delay in signing the unilateral settlement treaty between As-Sadat and the Zionist entity is only a fabricated procedure, a justifying formula to secure all suitable circumstances by talking and releasing reports on "differences" and "difficulties" facing the final settlement. Hence, President Jimmy Carter reconfirms that he still hopes the peace agreement will be signed within the next week.

Meanwhile, As-Sadat declares that the peace agreement must be signed on Mount Sinai. This might explain some of the great importance given these days to the issue of the Negev and the Israeli redeployment there which will form a strategic basis for the alliance that will follow the unilateral settlement between As-Sadat's regime and the Zionist entity under the American umbrella.

AL-ASAD RECEIVES LETTER FROM TITO ON MIDDLE EAST

JN171834Y Damascus SANA in Arabic 1745 GMT 17 Dec 78 JN

[Text] Damascus, 17 December--President Hafiz al-Asad has received a reply letter from Yugoslav President Tito containing Yugoslavia's standpoint regarding the Middle East situation and the principles to be achieved in finding a just and comprehensive solution in the region. These principles are based on Israel's withdrawal from all the Arab territories occupied in 1967; recognition of the Palestinian Arab people's national rights, including their right to self-determination and establishment of their independent state on the soil of their homeland; and the implementation of the resolutions of the United Nations and the conferences of the nonaligned states.

CZECHOSLOVAKIA'S BILAK, DELEGATION ARRIVE IN DAMASCUS

JN171247Y Damascus Domestic Service in Arabic 1215 GMT 17 Dec 78 JN

[Text] Vasil Bilak, member of the Presidium of the Czechoslovak Communist Party and secretary of the party Central Committee, arrived in Damascus today at the head of a delegation from the Central Committee leadership on a 5-day official visit to Syria at the invitation of the National Command of the Ba'th Party.

The delegation was received at Damascus airport by Comrade 'Abdallah al-Ahmar, assistant secretary general of the Ba'th Party, and a number of party comrades.

The delegation will hold political and party talks in Syria dealing with bilateral relations and ways to promote them.

ASSISTANT FOREIGN MINISTER LEAVES FOR BAGHDAD

JN171841Y Damascus SANA in Arabic 1755 GMT 17 Dec 78 JN

[Text] Damascus, 17 December--Masir Qaddur, assistant foreign minister, left Damascus this evening for Baghdad in order to hold talks with Iraqi Foreign Ministry officials within the framework of consultations and exchange of visits between the two countries' foreign ministries.

The SANA correspondent says that Qaddur will meet with the Iraqi assistant foreign minister to review the results achieved by the two ministries' subcommittees in both Damascus and Baghdad. These results are part of the process of coordination and integration of the regulations of the two fraternal countries.

It is noteworthy that these subcommittee will finally submit a unified report to the political, information and cultural affairs committee stemming from the two countries' joint national action charter, due to meet in Baghdad soon.

KHADDAM RECEIVES VISITING IRANESE DEPUTIES

JN171356Y Damascus SANA in Arabic 1330 GMT 17 Dec 78 JN

[Text] Damascus, 17 December--'Abd al-Halim Khaddam, deputy prime minister and foreign minister, this afternoon received Mr Fu'ad Lahhud, chairman of the parliamentary committee for national defense in Lebanon, and Deputy Nazim al-Qadiri. The meeting dealt with the situation in fraternal Lebanon.

ALGERIA

PLO'S 'ARAFAT ARRIVES FOR TALKS WITH LEADERS

LD180014Y Algiers Domestic Service in French 2100 GMT 17 Dec 78 LD

[Text] Mr Yasir 'Arafat, chairman of the PLO Executive Committee, accompanied by a large delegation, arrived in Algiers this afternoon. In a statement to the press Mr 'Arafat said his visit to Algeria was to inquire about President Boumediene's state of health.

Speaking about the situation in the Middle East, he said he would take advantage of his stay in Algeria to examine with Algerian leaders the serious danger the Arab nation is risking and the imperialist-Zionist plots aimed at liquidating all revolutionary and progressive forces in the Arab world.

Mr 'Arafat was received this afternoon at party headquarters, where he had talks with officials of the Commission for National Liberation.

EGYPTIAN PAPER REPORTS RUMORS OF BOUMEDIENE'S DEATH

NC170715Y Cairo MENA in Arabic 0702 GMT 17 Dec 78 NC

[Text] Cairo, 17 December--The newspaper AS-SIYASI in its weekly edition today quotes Arab diplomatic sources as saying that they have received information confirming that Algerian President Houari Boumediene died last Thursday and that it has been agreed to keep the news from the Algerian people until a successor is agreed upon.

The paper says that Arab League circles have refused to confirm or deny this report.

AFP: Death Denied

TA171417Y Paris AFP in English 1416 GMT 17 Dec 78 TA

[Text] Algiers, Dec 17 (AFP)--Algerian President Houari Boumediene's state of health--he has been in a coma for a month--abruptly worsened yesterday according to well informed sources here today.

But the same sources denied a report in an Egyptian newspaper that President Boumediene died last Thursday as "completely without foundation."

Observers here now accept that the authorities will announce the death of the president immediately it happens.

MOROCCO ACCUSED OF AIRDROPPING WEAPONS INTO ALGERIA

LD179242Y Algiers Domestic Service in Arabic 2300 GMT 16 Dec 78 LD

[Text] The Council of the Revolution and government met at 1600 yesterday evening in the presence of the speaker of the National People's Assembly. After the meeting, the following statement was issued:

On the night of 10 December 1978, at 2230, a foreign plane which was flying low over the sea 1 and 1/2 kilometers offshore precisely south of Cape Sigle dropped three parcels containing weapons and military ammunition and explosives. The swift intervention of the security services and the inhabitants made it possible to seize the entire shipment, which consisted of 191 MAT 49 machineguns, 100 FAL rifles with folding butt, 3 machineguns type 420-69 and a significant quantity of ammunition and explosives.

The investigation carried out by the security services has made it possible to discover the identity of the plane. It was a Hercules C-130 Moroccan military plane. This operation is considered a serious violation of national security, and if it was not ordinary and was planned by Rabat, it did not come as a surprise to us. It is part of the general campaign of aggression and lies waged by the royalist regime against our country aimed at concealing the defeats it has been suffering in the field from the Moroccan public, defeats inflicted on it by the Saharan resistance and also as a result of the predicament brought about by its expansionist policy.

The circumstances under which this operation was arranged at a time when Algeria is passing through a painful period because of the illness of President Boumediene shows that Rabat is on the lookout for all conspiracies and that it is not retreating from its attempt to carry out its intention to create instability in the country.

Once again, such acts did not take into account the vigilance of the Algerian people, their patriotism, which they have proven thousands of times, and their rigid unity around their political leadership. The operation of 10 December is akin to the aggressions of imperialism and neocolonialism waged against Guinea and Benin. It is directed against the independence of the African people, and on the other hand it comes within the framework of the wide conspiracy against the Arab nation. But its immediate failure shows the miscalculation of Rabat and the mercenaries who work for it.

If this was a provocation, the Algerian people are prepared to meet the challenge. If it was a test of the pulse, the failure of the operation indicates the vigilance of the citizens throughout the national soil. The adventures, from whatever side, and the agents of imperialism and reaction can carry out all kinds of speculations, but they will not succeed in changing the choices of the Algerian revolution or harming the unity of the people and the sovereignty and the sanctity of their national soil.

LIBYA

VOP REPORTS 'ARAFAT'S ARRIVAL 15 DECEMBER

JN161523Y Voice of Palestine [Clandestine] in Arabic to the Arab World 1500 GMT 16 Dec 78 JN

[Text] Brother Abu 'Ammar, chairman of the PLO Executive Committee and the general commander of the revolutionary forces, arrived in Tripoli last night on an official visit to the Libyan Arab Jamahiriyyah at the official invitation of Libyan President Col Mu'ammarr al-Qadhafi. President al-Qadhafi sent a special plane to Damascus to take brother Abu 'Ammar to Tripoli.

Brother Abu 'Ammar's visit to Libya comes within the joint Palestinian-Libyan efforts to strengthen bilateral relations and to bolster the Front of Steadfastness and Confrontation so as to confront effectively the [words indistinct] the capitulation of As-Sadat.

Meets With Al-Qadhdhafi

ID171042Y Tripoli JANA in English 0845 GMT 17 Dec 78 LD

[Text] Tripoli, Dec 17, JAMAHIRIYAH NEWS AGENCY--Colonel al-Qadhdhafi, leader of the Great 1st September Revolution, last night received Mr Yasir 'Arafat, chairman of PLO Executive Committee, and his accompanying delegation who arrived yesterday in Tripoli. Staff Major 'Abd as-Salam Jallud, Brig Abu Bakr Yunis Jabir, Lt Col Mustafa al-Kharrubi, and Maj al-Khuwaylidi al-Humaydi attended the meeting.

PFLP's Jibril Arrives

ID162136Y Tripoli JANA in Arabic 1400 GMT 16 Dec 78 LD

[Text] Tripoli--Ahmad Jibril, general secretary of the Popular Front for the Liberation of Palestine, arrived in Tripoli this afternoon on a visit to the Jamahiriya. At the airport he was received by the head of the Foreign Liaison Bureau and a representative of the Arab Liaison Bureau.

Habash, Ra'fat Arrive

ID180056Y Tripoli Voice of the Arab Homeland in Arabic 2315 GMT 17 Dec 78 LD

[Text] George Habash, leader of the Popular Front for the Liberation of Palestine, arrived in Tripoli this evening.

Also arriving in Tripoli this evening was Mr Salih Ra'fat, member of the Political Bureau of the Democratic Front for the Liberation of Palestine and member of the PLO Central Council.

MOROCCO

RABAT DENIES ALGERIAN ALLEGATION ON DROPPING WEAPONS

ID171610Y Rabat Domestic Service in Arabic 1300 GMT 17 Dec 78 LD

[Text] The Algerian Council of the Revolution disseminated a statement late last night accusing Morocco of harming Algerian national security, claiming that on Sunday, 10 December, at 2230 a Moroccan C-130 military plane dropped military equipment 1.5 km from Cape Sigli, on the Algerian coast.

Morocco categorically denies these allegations and asserts that it has no responsibility for this fabricated operation, which aims at diverting the attention of Algerian public opinion away from the true problems which beset the regime by attempting to mobilize it to face an illusory external danger.

The Egyptian weekly AS-SIYASI affirmed today that Algerian President Houari Boumediene died last Thursday. Quoting responsible officials in Cairo, the paper said Algerian officials had decided not to announce President Boumediene's death until a successor is appointed.

U.S. DECISION TO RECOGNIZE PRC ELICITS COMMENT

17 Dec YEDI'OT AHARONOT

TA171318Y Tel Aviv YEDI'OT AHARONOT in Hebrew 17 Dec 78 pp 1, 7 TA

[By Arye Zimnaqi in Jerusalem and Aharon Shamir in New York]

[Text] The one-sided cancellation of the U.S. defense treaty with Taiwan has lit "a red light" in the Israeli Cabinet.

In Jerusalem, fear has been expressed that this might also influence the cabinet's considerations and the consolidation of its moves concerning the continuation of the peace negotiations with Egypt. This may also cause new thoughts regarding our relations with the United States.

It has been pointed out that the U.S. move toward Taiwan has stiffened the position of the skeptics and those who object to the moves of Prime Minister Begin and Ministers Dayan and Weizman and will increase the cautiousness in the political leadership's approach in the coming stages of the negotiations.

It is now clear that the Carter administration was interested in ending the negotiations for signing peace in the area prior to issuing the statement--in Washington and Peking--about the establishment of diplomatic relations between the two countries, and that this was the reason for the early return of Secretary of State Cyrus Vance to the United States.

Several congressmen who participated in Golda Meir's funeral hinted quite bluntly to friends in Israel about the possibility of establishing relations between the United States and the PRC, involving the cancellation of the defense pact with Taiwan, a step which was bound to have significant implications on the relations of the United States with other countries.

The congressmen told their Israeli friends that they will understand the possibility that such a cancellation of the agreement with nationalist China will increase Israeli suspicion toward the U.S. administration.

At the same time, it is clear that "the Chinese affair" will, to a certain extent, delay the interest of the U.S. public in Middle Eastern affairs and perhaps even dull the feeling of a breach with the administration following the United States move of one-sidedly backing Egypt against Israel.

There was angry comment in Jerusalem about announcements made by the spokesman of the U.S. administration who hid behind "authoritative official." Quoting that "authoritative" official, the spokesman made the kind of sharp statements which Washington had not made to Israel before. Among these were expressions such as: "A misleading and distorting Israeli announcement" or "misleading" the public opinion, and others. This was coupled with praises and laudations of President as-Sadat.

There is almost no doubt now that the peace negotiations will be suspended, at least until after Christmas. In any event, the Americans are now almost entirely preoccupied with the Chinese issue.

Moreover, as far as one can learn, it is the assessment of the U.S. administration that it is better to wait a while until spirits in Jerusalem calm down and there is a pause in Israel-U.S. relations before the peace contacts are resumed.

Our correspondent in New York reports that the U.S. administration and Carter at its head have opened a denigration campaign against Israel, blaming it as apparently the only one responsible for the breakdown of the peace negotiations. Furthermore, Jewish sources disclosed that Carter had a plan, a most important plan as far as he is concerned, to announce the peace in the Middle East and the establishment of relations with China at the same time.

U.S. administration officials told Jewish leaders that the White House is of the opinion that Israel disrupted the President's plan that should have conferred a large degree of prestige on him in the eyes of the U.S. people.

Jewish leaders, in addition to political leaders in the United States, yesterday expressed the fear that the U.S. administration may soon "reassess" all its relations with Israel including "penalty" steps in the sphere of military and economic aid.

17 Dec MA'ARIV

TA171447Y Tel Aviv MA'ARIV in Hebrew 17 Dec 78 p 5 TA

[Editorial]

[Text] Anyone who maintains that Israel can sign a peace treaty with Egypt with any kind of formulation and place its confidence in the U.S. commitment to insure our security had better take a long look at President Carter's statement yesterday about the intention of the United States to cancel its defense pact with Taiwan and sever its diplomatic relations with it to pave the road to establishing full relations with the PRC.

Taiwan is guilty of no international crime that would merit the one-sided cancellation of the peace pact with the United States. All that happened was that the United States had made a calculation and found that relations with Peking are more worthwhile. And as soon as it reached this conclusion, it did not regard the defense pact as an obstacle that could not be overcome.

In other words, a signed treaty--whether it was signed for a limited duration or without a time limit--has a very clearly-defined validity: it is valid just as long as the two parties are interested in it and want to adhere to it, but since one side no longer wants it, it ceases to exist.

At this hour, when Washington is tearing up a defense pact because it no longer suits its national interest, there is room for second thoughts about the real value of all those verbal promises about the U.S. commitment to Israel's existence and security, which are the foundations of our foreign and security policies.

Ministers 'Gloomy'

TA162016Y Jerusalem Domestic Service in Hebrew 2000 GMT 16 Dec 78 TA

[Text] Cabinet ministers today expressed surprise over U.S. policy toward Taiwan and said that this policy raises gloomy thoughts with respect to the validity of other U.S. commitments. The ministers said that Israel must also consider this in the context of the U.S. involvement in the Middle East and its relations with Israel.

FOREIGN MINISTRY REJECTS U.S. CHARGES AGAINST ISRAEL

TA162013Y Jerusalem Domestic Service in Hebrew 2000 GMT 16 Dec 78 TA

[Text] The dispute with the United States: This evening the Foreign Ministry spokesman in Jerusalem protested and expressed deep satisfaction with the remarks of the senior U.S. official who claimed that Israel has been misleading the world by saying that it is prepared to sign the treaty as it had been formulated on 11 November.

What the senior official said is totally unfounded, the Foreign Ministry spokesman said. As early as 3 weeks ago, the Israeli Cabinet announced that it had decided to give up its reservations concerning the draft agreement and is prepared to sign it without any amendment or addition. The Israeli Cabinet has since repeatedly announced its readiness to do so, the spokesman said.

VANCE SAID RESPONSIBLE FOR ANTI-ISRAELI COMMENTS

TA171938Y Tel Aviv MA'ARIV in Hebrew 17 Dec 78 p 1, 2 TA

[By Yosef Harif]

[Text] The Israeli Cabinet's official reaction strongly rejecting--"with protests and deep dissatisfaction"--the charge made in the United States that Israel was responsible for the crisis in the peace talks is the first step toward warding off the vehement, crude and unprecedented attack official Washington conducted against Israel.

The formulation of the Israeli reaction, which was issued last night by the Foreign Ministry spokesman, was decided upon by Prime Minister Menahem Begin and Foreign Minister Moshe Dayan in a consultation they held yesterday.

There is no doubt in Jerusalem that the man behind "the senior official" in the U.S. secretary of state's entourage (who defined the cabinet's statement Friday as distorting and intended to mislead world public opinion) is none other than Cyrus Vance himself. However, since the U.S. secretary of state refrained from declaring this in public and in his name, Minister Dayan at this stage also refrained from reacting. Thus it was decided that "the Foreign Ministry spokesman" would be the one to react.

In internal consultations in Jerusalem, Foreign Minister Moshe Dayan said that the purpose of the Israeli reaction is to reject the U.S. attempt to distort facts.

On the remarks attributed to the "senior official" who claimed it is not true, as Jerusalem states, that the Israeli Government was prepared to sign the agreement as formulated on 11 November, the Foreign Ministry spokesman said that it is a fact that on 21 November the government took a decision to give up its reservations about the draft treaty proposed by the United States and announced it was ready to sign such an agreement without any changes. This decision was circulated.

The government's position is dictated by the recognition that we are faced with a life-and-death problem and therefore the government will not consent to any agreement that does not include an arrangement that will safeguard Israel's future. Answering a question, he said that at this stage the government will settle for the reaction of the Foreign Ministry spokesman and that Prime Minister Begin did not address his own protest to President Carter.

Sharp reactions are to be expected from Jewish organizations in the United States when they learn of the facts. On Friday the prime minister talked with the president of Jewish organizations, Theodore Mann, and brought the facts to his attention as well as emphasizing that they practically prove that the claims of the U.S. administration are without foundation.

It seems that the cabinet has tried to convince the leadership of U.S. Jewry that it had done everything to work for peace. From talks with Jewish leaders it could be understood that the cabinet's position is that Israel has made all the concessions and that it has no intention of surrendering to U.S. attempts to dictate an arrangement in accordance with Egypt's demands.

MA'ARIV RECOUNTS CABINET DEBATE ON EGYPTIAN PROPOSALS

TA151141Y Tel Aviv MA'ARIV in Hebrew 15 Dec 78 pp 1, 11 TA

[By Yosef Harif]

[Excerpts] There comes a time when one has to say "no" and now, after all that we have done for peace, we have no other choice, Prime Minister Menahem Begin said yesterday during internal deliberations in Jerusalem which took place after the conclusion of the talks with U.S. Secretary of State Cyrus Vance. The tension was clear against the background of the severe differences between Israel on the one hand and the United States and Egypt on the other.

During yesterday's deliberations severe criticism was leveled against the United States for ceasing to be a mediator and becoming a party which continuously--and sometimes without scrutinizing matters--supports the Egyptian position.

Agriculture Minister Ari'el Sharon spoke in strong terms, saying that in the situation that has arisen we should avoid vagueness. Therefore, it is necessary to make clear certain substantive points on the autonomy issue because without such a basic clarification "it will be impossible to move on," and there is no point in beating around the bush.

Defense Minister 'Ezer Weizman made a proposal which surprised Cyrus Vance: He suggested that perhaps it would be worthwhile for Moshe Dayan to join Vance on his trip to Cairo for the meeting with Egyptian President Anwar as-Sadat.

All cabinet members who spoke yesterday did so out of an awareness that Israel has done everything for peace and now it should not fear the reactions of public opinion. Remarks were especially leveled against the initiative adopted by the White House in presenting the Egyptian president as magnanimous and a man who is doing everything for peace while Israel is presented as being obstinate over "marginal" issues, thus hindering the achievement of a peace treaty.

Deputy Prime Minister Prof Yigael Yadin and Interior Minister Dr Yosef Burg stood by the prime minister's position. Finance Minister Simha Ehrlich spoke in strong terms, saying that there is no need to view things in a "tragic manner" because there are ups and downs in all negotiations.

After today's cabinet meeting Foreign Minister Moshe Dayan is to inform the U.S. secretary of state on the decision.

MINISTERS CRITICAL OF EGYPT IN CABINET MEETING

TA151520Y Jerusalem Domestic Service in Hebrew 1500 GMT 15 Dec 78 TA

[Text] In today's political debate in the cabinet, ministers accused Egypt of misleading Israel, actively aided by the United States, by adding new reservations to the peace treaty.

Political correspondent Shalom Qital reports that these ministers said that Israel already made a huge concession by deciding to sign the peace treaty as it stood and, among other things, was prepared to withdraw several significant reservations on the condition that Egypt also withdraw its reservations.

During the cabinet meeting a discussion developed over whether an immediate signing of the peace treaty should be sought or whether clarifications on the nature of the proposed autonomy should first be carried out. Minister Ari'el Sharon proposed first discussing the nature of autonomy; however, the prime minister said that the issue was not on the meeting's agenda and, therefore, it was not discussed.

In the statement made by the prime minister after the meeting he placed total blame for the agreement not having been signed on Egypt despite Israel's being prepared to sign it without delay.

More Details Reported

TA151947Y Jerusalem Domestic Television Service in Hebrew 1825 GMT 15 Dec 78 TA

[Text] Here are some further details on the cabinet session. Ministers Hayyim Landau, Yizhaq Moda'i, Ari'el Sharon and Zevulun Hammer demanded that the cabinet immediately embark on a discussion on the nature of the autonomy in order to determine what kind of autonomy should be set up in Judaea and Samaria. Our correspondent Dan Raviv reports that these ministers claimed that the Egyptian trends are clear already now and it is evident that the discussion with Egypt is not separated from the issue of the autonomy, so that before we sign any document with Egypt, Israel must clearly consolidate its concepts regarding the autonomy.

The prime minister, to repeat, decided not to discuss this issue today, but at one of the coming cabinet sessions, this demand, made by these four ministers, will be put to a vote and if they get a majority, the cabinet will crystallize a more clearly-defined concept of the autonomy even before the peace treaty with Egypt is signed.

Our correspondent adds that not all the ministers spoke during the session. The defense minister kept totally silent--which stood out during the discussion. Our correspondent points out that Weizman left the session before it ended, but that was due to a personal commitment. Weizman has refused to be interviewed about anything that pertains to the crisis in the talks.

YADIN PLACES BLAME FOR BREAKDOWN ON CAIRO

TA151403Y Tel Aviv YEDI'OT AHARONOT in Hebrew 15 Dec 78 p 1 TA

[By Arye Zimmuq1]

[Text] The United States should direct its accusations at Egypt and not at Israel, and there is no justification for pressure being applied on Israel, Deputy Prime Minister Yiga'el Yadin said this morning in reaction to various U.S. remarks, including those made at two of President Carter's recent appearances in the last of which he announced the cessation of his personal involvement in the negotiations.

Yadin maintained that Israel had accepted the draft peace treaty as formulated at the Blair House while the interpretative comments that Egypt is demanding is emptying the agreement of its content. Israel is prepared to sign the treaty at once without the proposed changes.

Jerusalem is wondering about the legal assistance that Egypt received from the State Department's legal adviser, which facilitated Cairo's submitting an opinion on Article VI of the agreement. According to this opinion, the United States in fact endorses the Egyptian interpretation that the Israeli-Egyptian peace treaty does not prevent the Egyptians from participating in the future in defense pacts with other Arab countries. This fact, which was inadvertently revealed and was unknown to Israel, strengthens the assumption about the one-sided coordination that has taken place in recent days between Egypt and the United States.

Various proposals were raised in Jerusalem yesterday about resuming direct contacts with Egypt in order to conclude the negotiations and sign the peace treaty. Even though the Americans are inclined toward slowing down the negotiations, contacts between Israel and the United States and with Egypt via the U.S. ambassadors will not cease.

MILITARY DELEGATION RECALLED FROM WASHINGTON

TA171951Y Jerusalem Domestic Television Service in Hebrew 1900 GMT 17 Dec 78 TA

[Text] The military delegation representing Israel in Washington, headed by Maj Gen Avraham Tamir, is on its way back to Israel tonight. It will arrive in Israel on Wednesday. This was decided in a consultation today between the prime minister and Ministers Weizman and Dayan. Our military correspondent reports that the reason behind the recall of the delegation is that the negotiations between Israel and Egypt have in fact stopped and, therefore, there is no reason for the Israeli delegation's continued symbolic stay. Our correspondent remarks that it has been a month now since contacts were held between the Israeli and Egyptian officers on the matter of the military agreement.

PERES COMMENTS ON CURRENT STATE OF PEACE TALKS

TA151958Y Jerusalem Domestic Television Service in Hebrew 1825 GMT 15 Dec 78 TA

[Excerpt] Labor Party Chairman MK Shim'on Peres said today that Egypt's demand to make the appointment of ambassadors conditional on holding elections in Judaea, Samaria and Gaza is a new and unnecessary demand which hampers the negotiations and should therefore be rejected. Peres added that the United States was exerting psychological pressure on Israel and it is difficult to conduct negotiations under such conditions of pressure.

At the same time, the chairman of the Labor Party added that the cabinet's autonomy plan is gradually coming to be regarded as bankrupt, a plan which constantly erodes in the negotiations with Egypt. This is a bad plan, Peres said, and the cabinet should announce that it regrets having come up with it.

The Labor Party is in favor of continuing the peace negotiations and, despite the statements the negotiations should be continued to bring them to an end, at least with Egypt.

SENIOR OFFICIAL COMMENTS ON PEACE NEGOTIATIONS

TA171620Y Tel Aviv IDF Radio in Hebrew 1510 GMT 17 Dec 78 TA

[From the Afternoon Newsreel]

[Text] A certificate of death for the peace agreement--this is what a senior Foreign Ministry official called the new Egyptian proposals carried by Cyrus Vance to Israel.

Nevertheless, the senior official assessed that in spite of these proposals the political negotiations have not yet died, as he phrased it. Our political correspondent Yosi 'Abadi reports. [begin recording]

['Abadi] Egypt will have to reconsider its attitude toward the peace treaty if it is interested in maintaining the negotiations, the senior official said. Referring to the Egyptian proposals Vance brought to Israel, he remarked that Israel will not be able to discuss a death certificate for the agreement especially since the birth certificate of the agreement has not been signed yet. Nevertheless, the official said, the agreement has not died yet. Everything is ready, including the military appendixes, except for the accompanying letter that will set a date for the opening of negotiations on the autonomy. The Egyptian proposals constitute a substantive change in the contents of the treaty. So, for example, the accompanying letter the Egyptians want to attach to the treaty and dealing with Article VI, carries the same legal value as the article and in fact cancels it completely, thus enabling Egypt to maintain its commitments according to previous treaties.

In fact, the official said, the aim of the Egyptians is to hinge the existence of the Israeli-Egyptian treaty on the treaties to be signed later, namely, to create a linkage. If the treaties are not signed, the Israeli-Egyptian agreement will be canceled, and this, according to the Egyptian proposals, will have also a legal justification in addition to political excuses. Israel cannot agree to this since the existence and maintenance of the following treaties does not depend only on it but also on Jordan, on the residents of Judaea and Samaria and its other neighbors. The senior official noted that six out of the eight preamble clauses already emphasize Israel's desire to sign these treaties but, for some strange reason, this does not satisfy the Egyptians. The official also explained Israel's inability to accept the reexamination of the security arrangements only 2 years after completing the withdrawal from the Sinai since, according to the official, this is not enough time to check the operation of the security arrangements.

In addition, the senior official also cited an example of U.S. unfair treatment of Israel: The legal opinion consolidated in the State Department regarding the priority of Article VI was formulated at the end of last month and was brought to Israel's attention only 2 weeks later, after it had already been brought to the attention of the Egyptians. The official concluded by saying that if Israel accepted all the amendments no treaty would have been left.

RABIN, ARENS COMMENT ON CABINET DECISION

TA151639Y Jerusalem Domestic Service in Hebrew 1505 GMT 15 Dec 78 TA

[From the Weekly Newsreel]

[Text] Next week the Knesset will hear a special statement by the prime minister on the developments in the negotiations and will then hold a political debate. In our Tel Aviv studio we have two Knesset members--former Prime Minister Yizhaq Rabin and Chairman of the Foreign Affairs and Security Committee Moshe Arens. We have invited them in order to hear assessments and reactions to the cabinet's decision. Our political correspondent Shalom Qital will moderate the debate.

[Qital--presumably live] There is nothing holy about the date 17 December, the prime minister said today after the cabinet meeting. We are 3 months beyond the Camp David agreements and there is no agreement. Despite this, what is the lifespan of the peace treaty [negotiations]? Is there still a chance to continue the negotiations? Mr Rabin.

[Rabin] I think that Israel, despite the distress in which we find ourselves today, should continue to act on the basis of the Camp David agreements in order to achieve a peace agreement between Egypt and Israel.

[Qital] Do you accept the prime minister's assessment that the new Egyptian demands are not in keeping with the Camp David agreements?

[Rabin] I do not deal in formulations of this kind. I think that the Camp David agreements determined a framework--partly defined and partly vague--and the question is substantive. What still requires a solution? There is no doubt that the general problem today is, on the one hand, the raising of two new demands by Egypt--the revision of the security arrangements and the dependence of the appointment of full ambassadors on the establishment of the autonomy--two demands which are totally new and certainly place a burden on the negotiating process.

The second question does not affect the substantive clarification of the issues requiring a solution but refers to the one-sided and almost hostile position of the United States. To my regret, only people who have tried to ignore the facts have not noticed how, throughout the past year, there has been strategic coordination and identity between the United States and Egypt and a U.S. movement further away from Israel's positions.

We have to struggle against this phenomenon and, in my opinion, in the next stage Israel's efforts must be on two planes: substantive deliberations on everything connected with the solution of the main problems--Article VI and the timetable or, to be more exact, the target date for the conclusion of the negotiations on the establishment of the autonomy--and that we demand that the Egyptians withdraw the other two demands--[we must try] to discuss the issue in a substantive manner with the aim of finding a solution and get to the point of signing the peace treaty with Egypt. And the second problem is more complex--Israel's status in the United States and the struggle against the administration's negative position with respect to Israel.

[Qital] Professor Arens, how do you see the next moves after 17 December?

[Arens] In my opinion, we should first of all focus on the main point and learn lessons. Since As-Sadat's visit we have been arguing--there were those who assessed that it is possible to drive a wedge between Egypt and the Arab world, that is is possible to bring As-Sadat to a point where he would be satisfied with Sinai and sign a peace [treaty] with us without demanding that the implementation of the agreement be linked to the future of Judaea, Samaria and the Gaza Strip. We should sober up from this illusion. I think that today it is clear that this is not As-Sadat's position. He insists on the linkage between these issues, thus casting doubt on the implementation of the agreement after we withdraw from Sinai--and it is on the basis of this data and this assessment that we should continue.

In my opinion, there certainly is room to continue the negotiations. The objective circumstances which brought As-Sadat here, and which are the foundation of the negotiations, are the State of Israel's strength and As-Sadat's assessment that today he does not have a military option. As long as these circumstances exist, and I hope that they will exist for a long time, there is room for negotiations and there is a chance that in the end we will arrive at an agreement.

It was a mistake, in my opinion, to raise hopes, to speak about dates--the 17th of December, 2 months, or 3 or 4 months--the Arab-Israel conflict has been a long one and has lasted for many years and if it is possible to reach an agreement with Egypt this will also certainly take a long time.

[Qital] You are, in fact, saying that the Egyptians do not want a separate agreement and we have to bring other fronts in. Do you accept the position of several ministers in the cabinet to the effect that prior to the signing of the peace treaty clarifications should be conducted on the nature of the autonomy and only when we know what the autonomy will look like should a peace treaty be signed?

[Arens] I would say that to the extent that the agreements are linked to each other in one way or another--and up to now the negotiations were based on a certain linkage, perhaps it would be more accurate to call this dependence--if it is clear that the Egyptians are not prepared or are unable--perhaps this is the situation--to enter into a peace agreement with us without making it dependent on the future of Judaea and Samaria, then there is no doubt that we should clarify the problems of Judaea and Samaria and the future of these territories before we begin the withdrawal from Sinai.

[Qutal] Mr Rabin, do you, too, accept the evaluation that one must disabuse oneself of the illusion that the Egyptians want a separate agreement and realize that in fact they do not desire a separate agreement?

[Rabin] I have never thought that Egypt was going toward a separate agreement with the intention that it should remain separate. I have never accepted reasoning and explanations to the effect that all As-Sadat seeks is a fig-leaf toward the east [the Arab confrontation states with Israel to the east], but at the same time, we ought to remember what in fact was the essence of the understanding reached at Camp David: to make peace now with Egypt, to agree to disagree on all the elements concerning which an understanding is required to reach a permanent solution--to the whole bundle of problems east of us; the future of the territories, the sovereignty over them, the way to solve the Palestinian problem, the future of the settlements, the future of East Jerusalem--on all these we agreed at Camp David to disagree and to put off the decision on these issues for 5 years. Why? I believe--and that is why I also supported the Camp David accords--that by making peace with Egypt now and developing the normalization after completing the first stage of the withdrawal, we will create a new reality, at least in the Egyptian-Israeli setup, which might perhaps provide a chance for a different Israeli ability to withstand [pressure]--if we are wise enough in the negotiations on the implementation of the autonomy and are able to avoid creating a nucleus for a Palestinian state--when, at the end of the interim period, we discuss the essential questions. The essence of Camp David was: to make peace with Egypt now, without a full agreement between Egypt and Israel with respect to everything that pertains to the solution on the east. That is why signing the treaty with Egypt now seems to me like signing a treaty which is not totally separate, but is such as would insure that the realization of peace and normalization with Egypt will come before the decision on the other front.

[Qital] Gentlemen, I would like to devote the remaining minutes of this discussion to a point which you have already in fact touched upon: the relations between the United States and Israel. Both of you have pointed it out--and in the cabinet, too, the ministers talked about it in a morose manner and the prime minister talked about a one-sided position of the United States--what is happening to our relations with the United States? Is this a hostile administration, or perhaps we are not cultivating the relations in the proper way Professor Arens?

[Arens] I think that the relations between ourselves and the United States, and between the United States and Egypt and the Arab world are unequivocal and clear. The United States currently feels a dependence--perhaps this feeling is exaggerated, but it is a fact that it exists in the administration--on the Arab world, especially on Saudi Arabia and the oil and the money.

[A dependence] between the U.S. monetary system and the money which flows from the United States to Saudi Arabia, and the United States feels that it has leverage and the ability to pressure Israel, whereas its ability to pressure Egypt is most limited. These are the basic facts and I would say that on the basis of these, it should have been clear to us already at the outset of the negotiations that there was no advantage to and no chance for benefits by involving the United States in the negotiations, as it was possible to foresee almost certainly what its position would be whenever there were to be disagreements between us and Egypt.

To my deep regret, there was here a conception--I think it is the foreign minister's conception--that it is worthwhile involving the United States. Even at that early stage, during which we opened direct negotiations with Egypt, opinions were voiced week after week that it would be advantageous and desirable to involve the United States in the negotiations. And, at last, it is clear to us that an agreement between us and Egypt would come only when both Israel and Egypt find a common denominator and reach the conclusion that the agreement benefits both parties. And the United States, in its present state of dependency on the Arab world, cannot help here.

[Qital] Mr Rabin, do you accept this analysis?

[Rabin] I do not think that the strategic data with respect to the U.S. outlook has changed in the last year; they are basically identical to those of the past 3 to 4 years. I think that two things have changed: the administration in the United States and the cabinet in Israel. You will recall that there was a discussion over a year ago on whether Israeli policy should first and foremost--even if it involves a struggle and a confrontation with the United States--strive for early U.S.-Israeli coordination, something which had characterized relations between the two countries from the end of the 6-Day War until July 1977, when the present prime minister made his first visit to the United States, when he returned with the good news: there is no confrontation, Rabin has almost brought Israeli to a confrontation with President Carter, but [Begun thus] relieved the United States of the need to precoordinate positions with us--something to which it had been committed. As soon as Israel said: Each one operates on his own, there is no prior coordination, we legitimized the United States' acting according to its own calculations--it had always operated according to its calculations, but previously it had done so with an effort to try and coordinate positions with Israel. This was not easy. In 1969, we were forced to embark on a hard struggle to have the Rogers Plan shelved. There were moments of tension and a slump in the relations. However, one thing was agreed upon between the United States and Israel: We will make every effort to precoordinate positions, prior to any central political move.

The result was that the United States welcomed the release from the need to precoordinate things with Israel. I should add to this that neither was Israeli policy-making conducted in a way that took into consideration the information going to the U.S. public--in my opinion this ought to have been taken into account, as had been done previously, because, basically, since 1947 and to this very day, part of the Israeli struggle is to gain the support of U.S. public opinion as it is expressed politically in Congress to control negative trends in the administration.

For 30 years we were able to conduct such a policy in the United States--apart from several mishaps here and there--to restrain serious negative trends. In my opinion, in the last year, great erosion has taken place, partly due to the change of the U.S. policy under the Carter administration and partly as a result of Israel's waiving the need for U.S. pre-coordination with us and, thirdly, as a result of the lack of coordination between the making of policy and the informational campaign in the United States; policy is the basis for informational activity.

[Qital] Gentlemen, to conclude ...

[Arens, interrupting] I do not agree with this evaluation, as you may understand. Like any other country, the United States acts according to its interests, at least the way it sees its interests, and no coordination will help here. One cannot say that there was no coordination; there were contacts and there were innumerable trips to the United States ...

[Rabin, interrupting] I am convinced that in 1969 U.S. policy was the Rogers Plan and we succeeded in bringing things about so that the Rogers Plan did not materialize.

[Arens] But then the Rogers Plan was not coordinated with the Israeli Cabinet; the United States initiated the Rogers Plan.

[Qital] Gentlemen, I propose--Professor Arens and Yizhaq Rabin, your positions are clear: Professor Arens thinks that we should not coordinate positions with the United States and the agreement should be ...

[Arens, interrupting] No, I did not say that there was no need for coordination, I only said that ...

[Rabin, interrupting] Anyway, today this is all spilled milk. We have agreed in advance that there was no need for coordination and that is why there is no room to raise this demand now.

[Qital] That is why I, to conclude, would like to ask you--not with respect to the spilled milk and the past--but rather, what to do now to get out of the crossroads at which we find ourselves--let us not call it a deadend. What should we do now, a short piece of advice Yizhaq Rabin?

[Rabin] In my opinion, Israel today must not hurry. It must be calm and confident, and, as an initial step, insure the correct presentation showing the one-sidedness of the administration's position to the U.S. public. There is no way but to make it clear that the United States, in taking positions such as have been expressed in the last few days, is not fulfilling the role it gave itself in a fair way.

[Qital] Professor Arens, I am sorry, Mr Rabin, our time is running short.

[Arens] Certainly it is necessary to make efforts to continue the negotiations, in my opinion, in such a framework in which only Israel and Egypt will take part and to try to exclude the United States from playing any role in the negotiations, and secondly ...

[Rabin, interrupting] This is an illusion.

[Arens] This is what should be done. If it is not done, I think this would be a mistake. [We should] explain our situation and positions in the United States and thirdly, put an end to the IDF withdrawal in the Sinai, which, to my deep regret, has already begun.

[Qital] Yizhaq Rabin, Professor Arens, I thank you very much.

DAYAN INTERVIEWED ON CURRENT STATE OF PEACE TALKS

TA152042Y Jerusalem Domestic Television Service in Hebrew 1825 GMT 15 Dec 78 TA

[Interview with Foreign Minister Moshe Dayan by political correspondent Dan Raviv in the studio on 15 December--videotaped]

[Text] Foreign Minister Moshe Dayan thinks that Egypt might decide not to sign the peace treaty and that at this stage attempts should be made to continue the negotiations through working teams made up of specialists. In a special interview for our program "This Week," the foreign minister says that if the peace process stops for a prolonged period of time there is no telling when the negotiations will be resumed.

Dayan added that in his opinion, the United States is seeking to have Israel return to the 1967 borders in the West Bank and the Gaza Strip and that As-Sadat's steps are coordinated with the United States. Our correspondent Dan Raviv talked with the foreign minister. [begin videotape]

[Question] Mr Foreign Minister, the Israeli Cabinet has decided as it has, but this is not the answer the U.S. President expected. The United States has received our reply. What now?

[Answer] Now Egypt will--I assume with the recommendation and the consent of the United States--have to decide on whether it is prepared to continue the negotiations with Israel on the basis of our positions, that is: on the basis of two positions. One, that Israel rejects--does not accept--the Egyptian proposals. President Carter said that he thought that Israel should have accepted the Egyptian proposals, and Israel has replied in the negative.

Therefore, Egypt will have to decide if, despite this, Egypt and the United States are prepared to continue the negotiations--and Israel is prepared to do so. Secondly, there are several issues--two or three--on which Israel had in advance said that there was room for discussion in an attempt to reach an agreement. These are Article IV and the joint letter.

Well, the practical question is what happens now: Will the negotiations be resumed and in what forum and what issues will the negotiations discuss?

[Question] What forum would you have preferred for the purpose of resuming the negotiations, shuttle talks a la Vance or perhaps a summit meeting which would attempt to solve all the problems at once?

[Answer] In my opinion, at least in the first stage, the best thing is--and this is my personal view, the cabinet has not discussed this--to have a limited working team, because the issues which have remained open, as far as we are concerned--assuming that the treaty and the discussion over all the articles of the treaty are not reopened, and I think we must insist on this most strongly--are, let us say, the formulation of the joint letter which will be acceptable to both parties, which will not include a target date, but which will also be acceptable to the Egyptians. The same refers to the interpretation of Article IV, where it is more a matter of misunderstanding or [lack of] an agreed understanding. Well, in my opinion, for the purpose of these things--and we should discuss only these things--it is enough to have a limited working team consisting of jurists and a political figure which will try to reach a joint formulation and bring it to the respective cabinets for approval.

[Question] Mr Dayan, would it be correct to say that the United States is currently interested in having Israel return to the 1967 borders and in establishing a Palestinian state?

[Answer] I do not know with respect to the borders on all the fronts; however, with respect to the Sinai, it does not have to strive toward this so much, because the Israeli Cabinet and Knesset have agreed to return to the 1967 borders within the framework of a peace agreement. I think that what you said is more or less true regarding Judaea, Samaria and the Gaza District.

There are disagreements between ourselves and the United States. I think--or suspect--that they think that it is best in the final analysis that we return to the previous borders, with minor alterations and with the proper security arrangements, perhaps even including maintaining the IDE along the Jordan River and in other places. But in terms of the Israeli borders, I think it is true with respect to Judaea, Samaria and the Gaza District. As for the Golan Heights, there has not been any kind of discussion, and I cannot tell.

[Question] In your estimation, does Israel have a political chance of facing a joint U.S.-Egyptian front which wants the things you just mentioned?

[Answer] Certainly. The United States will not--I assume--use its army. Surely, if we are talking only in terms of power, it has the potential to defeat Israel, but this is not the way the dispute is being settled. And in the end, I think that Israel will not--and cannot be--forced to do what it is not ready to accept. Pressures--such as the pressure of public opinion, perhaps even economic pressures and other sorts of pressures--will be applied. Our greatest source of weakness is internal division, first of all within Israel and, also, between us and world Jewry and the U.S. Jewry. However, if Israel objects vigorously and in unison, then it not only has the chance, but also the assurance, that it will not be forced to do what it does not want to do.

[Question] Mr Dayan, this is a rather gloomy political future. The question that immediately arises is: What happened, how did the United States shift from the Israeli side to the Egyptian side? What has gone wrong? Why did things happen as they did?

[Answer] I do not think that something has gone wrong. I think that those who say, at times in complaining tones, you should have coordinated with the United States in advance presume that the United States is some kind of a doll which, if we do not forget to coordinate things with it, immediately dances to our tune. This is nonsense. The United States has its own position. It had its Rogers Plan. Ask MK Rabin about President Carter's position from his first day. He knows that there is a gap and it is impossible to coordinate or not to coordinate. It has its own stance. What happened was that as things reached the stage of implementation and ultimately reached the stage of determining even the most concrete things, the reality became more strained because it became necessary to discuss things not in general or in theory but in effect.

In the meantime, several things have also taken place in the field. The Baghdad summit has had a very negative influence on As-Sadat's status and on his soul-searching and on his situation in the Arab world and he stiffened his positions on this issue, and I assume that the United States, too--after what has happened in Iran, as well as the positions Saudi Arabia and Jordan [adopted at the Baghdad summit]--had previously expected them to join As-Sadat, or at least to support him, but they did not do it, [these participants at] the Baghdad summit. Well, the reasons for those things which have in the meantime occurred--and mainly the fact that it is now necessary to reach practical results--have sharpened differences and these are the differences. [as heard]

[Question] Mr Dayan, when you now review political reality, what, in your opinion, is As-Sadat's desire now? Does he want to blow up the peace agreement, does he want a Palestinian state, does he want to achieve maximum gains out of Israel, what is the point toward which he is now striving?

[Answer] He wants to appear in the Arab world as someone who has not betrayed the Arab world, and this is expressed by two main things: First, he wants to prove that the agreement he made with Israel does not cancel--and does not have precedence over--the other military agreements he had made with the Arab countries--that famous Article VI--because otherwise he would be in a difficult situation vis-a-vis the Arab world, if he prefers the agreement with Israel and thus cancels his obligations toward the Arab world. Secondly, he wants to prove in the Arab world that he not only cares about himself and his lands and is not making--and will not make--a separate peace, and that is why he wants to link the peace treaty between Egypt and Israel to the autonomy or, as he formulates it, to the abolition of the military government and to the granting of permission for self-rule for the Palestinian Arabs in Judaea, Samaria and the Gaza District.

[Question] Mr Dayan, when President as-Sadat is being backed by the United States, is there--in your opinion--a chance that we will sign, or agree to sign, the peace treaty without attaining the goals for which he strives?

[Answer] This is a question which I cannot answer precisely. I can say that he is facing two bad alternatives: If he does this it is bad, and if he does that it is bad. That is, if he accepts our concept that this agreement stands on its own and is not linked--and we do not accept this linkage--to the implementation of the autonomy, then he will be in an embarrassing situation vis-a-vis the Arab world, and the same goes for Article VI: if he agrees that Article VI and the agreement with us are preferred to and take precedence over the agreements between himself and the Arabs. But suppose he says: If this is so, if this is Israel's position, I am not signing a peace treaty. Well, then he will have to admit his failure, that the entire glorious move beginning with his trip to Jerusalem to this stage has not been crowned with success. But, moreover, what about Sinai? And what will his economic situation be? And suppose this agreement does not materialize and he will have to return to the situation he was in before, that is, liberating lands only with the help of the armed forces and maintaining a large army--this, too, will be a failure. In addition to the very failure of his initiative. So, he will have to choose between the two evils. He is in a difficult spot.

[Question] Mr Dayan, of the two evils between which As-Sadat has to choose, and assuming that Israel will not agree to make further concessions beyond those it is today prepared to make, do you think there might be a situation in which the peace treaty will not be signed?

[Answer] Certainly such a situation might occur. In my opinion, we have reached the limit of concessions, and the peace treaty which must be signed and which we are prepared to sign is the result of compromise. It is not the best formulation for us, but a result of a compromise which the Egyptian delegation had accepted. But if they do not accept this and want from us things that are unacceptable to us and we will not sign, and neither will they, ~~there~~ will not be a peace treaty. This is definitely a real possibility.

[Question] How long, in your opinion, does it take to examine which way the winds blow and what the chances for the peace treaty are?

[Answer] In any event, to continue the current momentum, it is necessary that the negotiations be resumed within the next few weeks. If this does not occur and there is a prolonged recess, then--if they are resumed--a new chapter will begin.

[Question] Meaning what?

[Answer] I do not think that this generation of ours will stop dealing with the issue of peace. Even before the As-Sadat initiative we discussed the possibility of the Geneva conference. This is inevitable. There will be repeated attempts, and we will return to this issue, to reach a peace agreement between ourselves and the Arabs. Since the Yom Kippur War this has not--and will not--come off the agenda. However, this chapter of the peace negotiations between Israel and Egypt after the formulation of the agreement has been completed--if it is not signed, if weeks and months elapse, the agreement will go to the archives and it will be necessary to begin some sort of new negotiations on other foundations, a new arrangement.

[Question] Mr Dayan, when you talk about the difficulties President as-Sadat is facing, is the nonsigning of the peace treaty not a problem and failure of Israeli policy, that is that the move which you have begun--we have almost reached the signing and yet the treaty is not signed in the end?

[Answer] I must understand what exactly it is that you want of me--or from my life, as the colloquial expression goes--because, after the Baghdad summit, As-Sadat changed his opinion: first he was prepared to exchange ambassadors without any connection to and not conditioned on the implementation of the autonomy, but 1 month after the first-stage withdrawal from the Sinai, when we reach the Ra's Muhammad-Al-Arish line, we exchange ambassadors, whereas now, after the Baghdad summit, he says: I no longer want this, I will only exchange ambassadors with you after autonomy is implemented in Gaza. Should Israel beat itself and say: We have erred and sinned? In what way? There is no connection between this and mistakes--perhaps we will make mistakes, I suppose there is nothing that does not entail certain mistakes. Yet this is not the case now. What is happening now is, without any doubt, that As-Sadat is not prepared to sign the agreement which his delegation was ready to sign and he is now demanding substantive changes, some of which actually turn things around. I assume that this is mainly the result of his isolation in the Arab world, but we should not weep because of this.

[Question] Mr Foreign Minister, I thank you very much.

[Answer] Thank you. [end videotape]

GUSH EMUNIM AWAITING CABINET'S DECISION ON SETTLEMENTS

TA171645Y Tel Aviv IDF Radio in Hebrew 1510 GMT 17 Dec 78 TA

[From the Afternoon Newsreel:]

[Text] The Gush Emunim Secretariat decided today to wait for a few days for the cabinet's decision about establishing new settlements in Judaea and Samaria. If no decision is made the Gush Emunim will start settling nuclei without the cabinet's approval.

SINAI PULLBACK CONTINUES DESPITE IMPASSE

TA180840Y Jerusalem POST in English 18 Dec 78 p 1 TA

[By Hirsh Goodman]

[Text] The military pullback from Sinai, which started in mid-November, is continuing according to plan despite the impasse in the peace process.

This was stated to the Jerusalem POST by a reliable military source yesterday.

According to the source the pullback is of non-vital equipment only, and has not impaired Israel's fighting capability in the area.

"It is merely intended to make the eventual pullback more efficient, when the time comes," the source said.

By the terms of the Camp David agreement Israel is required to retreat to a line roughly between Ras Muhammad and Al-'Arish within nine months of signing a peace treaty, and from the entire peninsula within three years. Most of the equipment to be moved, however, will have to be relocated in the first stage.

Eventually Israel will have to move a total of about 100 military camps and installations in addition to the airfields. This will involve over 2,500 buildings and thousands of military vehicles.

ENERGY MINISTER ON OIL AGREEMENT WITH EGYPT

TA151423Y Tel Aviv YEDI'OT AHARONOT in Hebrew 15 Dec 78 p 1 TA

[By Avner Tavori and Bina Barzel]

[Excerpt] "Compared with what is happening on political issues, I can feel an Egyptian willingness to come to an agreement on oil issues," Energy and Infrastructure Minister Yizhaq Moda'i said yesterday at the conclusion of a talk with U.S. Secretary of State Cyrus Vance.

According to Minister Moda'i, in the conversation Vance raised several new ideas that he had brought from Egypt. These ideas were positive in the negotiations. During the talk, Minister Moda'i asked for several clarifications from Egypt. "If we receive positive answers to our questions it might be possible to publish the agreement on oil issues between Israel and Egypt."

JERUSALEM REPORTS 21 INJURED IN BUS EXPLOSION

TA171853Y Jerusalem Domestic Service in Hebrew 1800 GMT 17 Dec 78 TA

[Excerpt] It is now known that 21 people were injured, mainly lightly, in the explosion on the bus in the Bayit Vegan neighborhood in Jerusalem. Fifteen people were sent to the Hadassah Hospital, one seriously injured. Five of the people injured will be discharged this evening. Six injured are hospitalized in the Sha'arey Zedeq Hospital, all of them lightly. Two will be released this evening.

Our correspondent reports that the charge exploded in the back of the bus and few people were sitting there. Most of the passengers got off the bus one stop before. Several houses in the vicinity were lightly damaged by the explosion. Our correspondent notes that the explosion occurred on a No 12 bus whose route begins near the Damascus Gate.

AFP: KHOMEYNI CALLS FOR CONTINUATION OF STRIKES

TA151407Y Paris AFP in English 1330 GMT 15 Dec 78 TA

[Text] Paris, Dec 15 (AFP)--Iranian religious opposition leader Ayatollah Khomeyni today called on the Iranian people to regard Monday as a day of national mourning.

Ayatollah Khomeyni, in exile in Paris, said in a press statement that "in conformity with Islam and the law it is the duty of the people to disobey the shah and his government, to refuse to pay taxes and to continue with strikes, particularly with the strike in the oil industry."

Declaring that the people should continue their action until "the downfall of the shah and his government," the ayatollah said "the referenda on Sunday and Monday have proved the illegality of the shah and his government to the whole world."

He added that army chiefs "collaborating" with the shah "and who commit crimes on his orders, must think of the consequences of their acts."

Criticizes President Carter

PA170301Y Paris AFP in English 0144 GMT 17 Dec 78 PA

[Text] Paris, Dec 17 (AFP)--Iranian opposition leader Ayatollah Khomeyni yesterday sharply criticized U.S. President Jimmy Carter [words indistinct] opposition's "irresponsibility" for deaths in Iran and indirectly blamed Carter himself.

"Every time Carter supports the shah, the people are massacred by the shah the next day", the religious leader said from his exile headquarters in Neauphle-le-Chateau, outside Paris. The ayatollah said that the day after the Iranian people, in [word indistinct] demonstrations throughout the country, had "calmly demonstrated their hatred for the shah's regime", the regime "sent SAVAKS (secret police agents) with clubs to assault and kill people".

"After all that, Carter says we are irresponsible", the Iranian opposition leader observed.

Ayatollah Khomeyni said it was a "religious obligation" for all Iranian oil workers to continue their strike and that they would be helped by the people. But he said that some Israelis, to be distinguished from "Jewish minorities in Iran who will go on enjoying all their rights," reportedly intend to go into the oil fields to replace the striking workers. If they do, "the Iranian people have the right to consider them mercenaries and to fight them with arms", the ayatollah said.

As for the "thugs who are killing and assaulting people," the Shi'ite Moslem leader said the people had "the right to kill them" in legitimate self-defense.

AYATOLLAH MONTAZERI TO VISIT KHOMEYNI TO EXPRESS SUPPORT

LD161440Y Paris Domestic Service in French 1300 GMT 16 Dec 78 LD

[Excerpt] Ayatollah Montazeri, who was released 2 months ago in Tehran after 3 years in prison, will pay visit to religious leader Khomeyni, head of the religious opposition, who is at present in residence in Yvelines Department. Ayatollah Montazeri brings the religious leader support in the actions he has taken during the last several months against the shah's regime.

L'HUMANITE: TUDEH PARTY URGES NATIONAL UNION GOVERNMENT

LD151245Y Paris L'HUMANITE in French 11 Dec 78 p 10 LD

[Unattributed report: "Tudeh: Government of National Union"]

[Text] "The Iranian people," a Tudeh Party statement says, "demand an end to the criminal monarchical regime and the creation of a government of national union which would satisfy their longing for democracy and national independence, for improved workers' living conditions and a healthier national economy, for free democratic elections and for the setting up of a constituent assembly..."

The Tudeh Party recalls once again "the need to create a united antidictatorship front with a view to crushing imperialist plots, overthrowing the despotic monarchical regime and establishing a democratic government of national union."

AFP: GOVERNMENT DENIES REPORT OF MUTINY IN ARMY

TA161404Y Paris AFP in English 1348 GMT 16 Dec 78 TA

[Text] Tehran, Dec 16 (AFP)--A report of mutinies in the Iranian Army was denied by the Information Ministry here today.

The ministry rejected the report, by a foreign news agency, which quoted official sources as saying mutinies had occurred at the Lavizan military camp near the shah's home at the Niavaran Imperial Palace.

KHUZESTAN GOVERNOR: 'GREAT MANY' OIL WORKERS RETURN TO WORK

LD171120Y Tehran Domestic Service in Persian 1030 GMT 17 Dec 78 D

[Text] A great many workers of the National Iranian Oil Company--NIOC--have returned to work in Gach Saran and Abadan. Commenting on the nature of operation of the oil industry workers, Lieutenant General Ja'farian, the governor general of Khuzestan, said: Prior to the mourning ceremonies to commemorate Husayn Ibn 'Ali, all workers of NIOC and the National Gas Company had resumed their work in Khuzestan, and yesterday, a great many workers of NIOC resumed work in Gach Saran and Abadan.

The governor general added: Other oil industry employees and workers are also returning to Khuzestan from other parts of the country where they were spending their holidays. The governor general stressed that considering the recent circular issued by the government, should a certain group of oil and gas industry workers continue with its slowdown or refuse to return to work, then regrettably, we will have to terminate their employment.

Commenting on oil production in Khuzestan, the governor general said that yesterday the production in Khuzestan reached 1,674,000 barrels.

A report by the PARS news agency stated that workers of the central plant of the Abadan refinery as well as workers of the NIOC transport division have returned to work. The same report adds that workers of Iran-Japan Petrochemical and Iran-Nippon in Bandar Shahpur have also returned to work.

Oil Output Increase

LD171720Y Tehran Domestic Service in Persian 1530 GMT 17 Dec 78 LD

[Text] The governor general of Khuzestan said today that oil output has increased to 2.14 million barrels a day. General Ja'farian told our correspondent that nearly 90 percent of the workers and staff in Gach Saran and nearly all the oil industry employees in Abadan have resumed work.

REUTER REPORTS 18 DEC DEMONSTRATION, OIL PRODUCTION

WA180904Y London REUTER in English 0901 GMT 18 Dec 78 WA

[Text] Tehran, Dec 18, REUTER--Opponents of the shah of Iran today staged a day of silent mourning and a strike to protest the deaths of about 100 people during pro-shah demonstrations in four provincial towns.

Tehran's central bazaar and most of the city's shops were shut, even in wealthy northern suburbs. But street vendors were working and food shops were open. About six truckloads of troops guarded the bazaar, hub of Tehran's commerce and a center of opposition activity. The size of the response to the strike call in government ministries was not immediately clear.

A senior official of the central bank, disrupted by political protest slowdowns for the past two weeks, said that while some staff had stayed away, others were working.

City buses were running and municipal workers were cleaning the streets.

Sources at the National Iranian Oil Company (NIOC) reported that oil production, crippled by a three-week strike, was up by 400,000 barrels early today to 2.6 million barrels. This was still well below half the normal output but a considerable improvement on low daily levels of around one million barrels at the peak of the strike.

Bad weather hindered loading of oil exports yesterday in the Persian Gulf. Out of a line of 56 waiting tankers, only one managed to take on a load.

About 20 strikers have been arrested and 10 dismissed in the southwestern oilfields area following a warning by the military-led government that strikes in government service would be fired if political protest stoppages continued.

The call for a one-day strike and day of mourning was issued by Ayatollah Khomeyni, exiled chief religious opponent of the shah, and backed by local religious leaders and opposition parties.

WEEKEND DEMONSTRATIONS, INCIDENTS, SECURITY MEASURES

Demonstrators Killed in Reza'iyeh

LD151120Y Tehran Domestic Service in Persian 1030 GMT 15 Dec 78 LD

[Text] In Reza'iyeh yesterday a group of people held demonstrations to declare their loyalty to the constitution. A group of people opposing them clashed with the demonstrators and law enforcement officers intervened in order to disperse the demonstrators. Unfortunately, in the course of this action, 5 persons were killed and 23 were wounded.

Curfew Extended in Qom

LD151346Y Tehran Domestic Service in Persian 1030 GMT 15 Dec 78 LD

[Communique No 14 of the military governorate of city of Qom and vicinity]

[Text] The intensifying scope of the demonstrations in the city of Qom and clashes between officers and demonstrators in recent days has made it necessary to alter curfew hours from 2200 to 2100 in order to secure greater order and tranquillity in the city of Qom.

The governorate therefore requests the esteemed people of the religious city of Qom to pay meticulous attention to the curfew hours, which begin at 2100 and last until 0430 the next day. Those who violate curfew regulations and leave their homes during the forbidden hours or hold demonstrations will meet with vigorous and decisive reaction from officers of the military governorate and will be responsible for the results of their actions.

The governorate requests all the esteemed people of Qom to cooperate increasingly with the officers of the military governorate. This will be a cause for thanks and gratitude.

[Signed] Military governor of the city of Qom and vicinity, Maj Gen Kamal Nezami.

Incendiaries Seized in Esfahan

LD151828Y Tehran Domestic Service in Persian 1630 GMT 15 Dec 78 LD

[Text] A spokesman for the military governorate of Esfahan and vicinity announced this morning that security officers of the governorate had seized a car carrying incendiaries. The two occupants of the car have been arrested and handed over to the security authorities.

The car was carrying 40 incendiary devices, molotov cocktails, a number of daggers, side-arms and communist books. All these items have been seized.

Experts of the military governorate of Esfahan described to Iranian and foreign correspondents the detonating power of the discovered incendiaries, saying they were very powerful and capable of exploding and setting fire to hundreds of buildings and institutions.

Incidents in Najafabad, Elsewhere

TA151905Y Paris AFP in English 1847 GMT 15 Dec 78 TA

[Excerpt] Tehran, Dec 15 (AFP)--Reports of clashes between pro and anti-shah factions continued to arrive from provincial cities today.

Opposition sources said 57 died in street battles at Najafabad, near Esfahan on Tuesday and Wednesday.

In Shiraz, southern Iran, 30,000 marched through the streets today with the coffins of 14 people allegedly killed by pro-shah demonstrators, opposition sources reported.

In Esfahan itself more than 50 people were said to have died in clashes since the mass religious marches of Sunday and Monday.

Reliable sources reported fighting in the holy city of Qom today and yesterday in which 3 people died and 20 were injured.

AFP REPORTS PEOPLE IN CONTROL IN MASHHAD

TA151803Y Paris AFP in English 1717 GMT 15 Dec 78 TA

[By Patrick Meney]

[Text] Mashhad (eastern Iran) Dec 15 (AFP)--In this city of 700,000 persons near the Soviet border the people are still in charge, and last night they lynched an officer of the political police, SAVAK. The officer in question, a certain Colonel Afshin, was bludgeoned to death on the street.

The incident was related today to visiting journalists by a doctor at a local hospital, Dr Fery Chambon, who told the story unemotionally. Afshin, he explained, "had tortured dozens of students."

Meanwhile, townspeople armed with truncheons were today directing traffic and guarding his hospital. "We have set up our own security measures because yesterday 150 soldiers attacked the hospital," the doctor said. "They fired down the corridors and killed four persons, two of them children."

The incident provoked an angry demonstration by thousands of persons today inside the hospital, where anti-government banners have been draped. One of the hospital buildings carries a giant portrait of the exiled Shi'ite Moslem leader, Ayatollah Khomeyni. The bullet holes in the hospital walls bear painted captions: "Look what they've done."

Dr Chambon said the military intervened "to punish the doctors, who refused in protest against the repression to sign sickness chits for the soldiers."

Today, however, the army was invisible, in contrast with other Iranian cities. Defying martial law and the ban on assemblies of more than 3 persons, between 500 and 600 demonstrators surrounded the visiting reporters' car and chanted "Death to the shah."

"Jimmy Carter no good," piped a small boy with a club. A short distance away, youngsters were using clubs to reduce a SAVAK car to scrap iron.

The atmosphere remained tense. Said an opposition member: "The army has failed to regain control of Mashhad." (The military governor had wanted to appear on television to announce that martial law would from now on be firmly enforced, but the local television workers were on strike.)

Outside the home of a major local religious leader, Ayatollah Shirazi, groups of civilians armed with clubs were standing. Houses carried the photograph of soldier No'asem Mobashershani, aged 20. "He was killed by an officer because he refused to fire on demonstrators," the reporters were told by the ayatollah's son.

The 80-year-old ayatollah denounced the army's attitude. "In no country in the world can an attack on a hospital be tolerated," he told the reporters. The ayatollah said that the army had killed 24 persons in Mashhad over a 2-month period. The religious leaders, he added, were "in the van of the fighting." The Koran, he explained, advocated freedom of speech and thought and rejected "police terror."

He expressed hope that the shah would fall, but admitted: "We do not yet know exactly whom to replace him with. If he goes, the religious leaders will meet and decide what must be done." They would meet with the lay opposition, because "it is made up of Moslems," but they would not meet with the communists, the ayatollah said, answering questions. "The important thing," he added, "is that 90 percent of the population is behind the religious leaders for the shah's departure."

Commission Investigates Incident

LD171910Y Tehran Domestic Service in Persian 1630 GMT 17 Dec 78 LD

[Text] On Friday the prime minister assigned a commission to investigate the incident which occurred Thursday at Shahreza Hospital in Mashhad. It was composed of General Katuzian, the minister of labor and social affairs; Dr Mofidi, the minister of science and higher education; Dr Hafizi, the secretary general of the medical association; and Dr Tabataba'i, the deputy minister of health and welfare.

This commission arrived in Mashhad on Friday and, following contacts with the religious community, academicians and doctors, as well as local officials and other informed people, it submitted a comprehensive report to the prime minister. A copy of the report, which expresses regret over the incident, was sent to the governor general of Khorasan so he could personally apologize to the religious community, the doctors concerned and other staff members of the hospital.

A brief account of the incident is as follows: A young army sergeant and several soldiers who were posted in front of Shahreza hospital in Mashhad entered the hospital of their own accord following an attack on the doctors by demonstrators, and after opening fire wounded and injured several doctors and other hospital staff members. The wave of protest by the religious community and the doctors against this sergeant's unilateral action was found by the commission to be perfectly justified.

The commission then ordered that those responsible be immediately prosecuted legally because respect for hospitals and for the medical community, which is a section serving the community, should never under any circumstance be violated.

Therefore, the prime minister has sent the following message to all governors general: As the duty of a medical practitioner dictates, from the moral and humanitarian point of view, that a doctor shall treat all patients, whether a supporter or an opponent, or even a foe, and that this is accepted practice the world over, a hospital must therefore be immune from any attack. For this reason, instruct security officers not to enter hospitals. Should there be any reason for them to enter hospitals, an officer must contact the hospital superintendent or the duty physician.

SENATOR URGES GOVERNMENT TO 'REPLY TO RIGHTFUL DEMANDS'

LD161504Y Tehran Domestic Service in Persian 1030 GMT 16 Dec 78 LD

[Text] The Majlis Senate held an open session today. During this session, which was held at 1000 under the chairmanship of Dr Sajjadi, the drafts of two bills were placed on its agenda. Prior to adopting the session's agenda, several senators made pre-agenda speeches.

One of the speakers at today's open session of the Senate was Senator Jalali-Na'ini, who said: Any government that really wishes to look after the country and to preserve and safeguard the rights of its people should correctly and disinterestedly carry out the duties and tasks entrusted to it by the country's laws. It should remain impartial toward persons and political and party groups, and should refrain from forming factions and hatching plots. Nor should it allow any person to form factions or carry out provocations.

Referring to the recent incidents in a number of cities, the speaker said: Local officials have undoubtedly interfered in these unpleasant incidents and are guilty of improper actions. The speaker added: The result of creating factions and hatching plots are unpleasant incidents and acts of fratricide. Many, many times I have called on you to dismiss those officials who for years have treated the people with indifference, insulted and even oppressed them, and replace them with competent and kindly people. Unfortunately, however, egotism and administrative bias have prevented you from doing this.

Senator Jalali-Na'ini said: How long shall we put up with such incidents and unpleasant events? How much more must one say that a solution to the present difficulty in Iran can be achieved only through political means and not through military methods? The people have carried out a revolution and the government has accepted that. Reply to the rightful demands of the people so that the revolution can be brought under control. The speaker added: Think about the condition of the country. Let us not stand around doing nothing. Let us find a solution to the country's crisis. Know that tomorrow we are answerable to God and the nation.

MAJLIS BUDGET EXECUTIVE ON SUPPLEMENTARY FINANCING

LD171930Y Tehran Domestic Service in Persian 1630 GMT 17 Dec 78 LD

[Text] Mr Habib Dadfar, chairman of the Majlis Budget Committee, told our correspondent in a radio and television interview today that a bill on the government employees' pay index was passed last week and that, in accordance with the government's commitment, the index of base pay was raised from 80 to 90 rials, or from 90 to 100 rials, as applicable. In addition, the civil servants' bonuses paid in accordance with professional duties undertaken should also be met.

Speaking about the Budget Committee's decisions, Mr Dadfar added that today the Budget Committee began work on the government's supplementary budget bill. He seriously wondered how these expenditures would be met. He said deputies believed that these expenditures in the current year [ending 20 March 1979] would total about 150 billion rials and that the government should be authorized to meet the cost from its own revenues. Several deputies believed that the cost should be met by curtailing major long-term development projects.

JOURNALISTS UNION PROTESTS CLOSURE OF NEWSPAPERS

TA151624Y Paris AFP in English 1617 GMT 15 Dec 78 TA

[Text] Tehran, Dec 15 (AFP)--The Iranian Union of Journalists protested today against the closure by the military government of Iran's two biggest newspapers, ETTELA'AT and KAYHAN.

In a communique issued here, the journalists said the government has shown its objectives were quite different to those of the Iranian people. In their continuing fight for liberty, Iranian journalists were proud of the support given to them by the people and by religious and political leaders, said the communique.

GILAN PROVINCE ORDERS REOPENING OF PRIMARY SCHOOLS

LD151232Y Tehran Domestic Service in Persian 0430 GMT 15 Dec 78 LD

[Excerpt] Gilan Province's General Department of Education and Training announced today that all kindergartens, primary and guidance schools in the province will open on Saturday, 16 December, and will resume their normal activities.

SOME SCHOOLS TO REOPEN IN KHUZESTAN PROVINCE

LD162156Y Tehran Domestic Service in Persian 0330 GMT 16 Dec 78 LD

[Excerpt] Khuzestan Province's educational guidance schools will be officially open as of today. Khuzestan's General Department of Education and Training announced that with the reopening of guidance schools throughout the province, the pupils' attendance would be controlled in accordance with regulations. In a statement issued in this connection, the pupils guardians were requested to play a more active role in making up the lessons missed by their children.

Another report indicates that kindergartens, primary and educational guidance schools in the town of Hamadan will be officially open as of today. Hamadan's General Department of Education and Training called on the pupils fathers and mothers to pay more attention to the business of their children's education and, by cooperating with primary and secondary school teachers, to make arrangements to make up the lessons missed by their children.

PRELIMINARY STUDIES MADE ON REOPENING TEHRAN SCHOOLS

LD162204Y Tehran Domestic Service in Persian 1030 GMT 16 Dec 78 LD

[Text] Preliminary studies have been made on reopening the secondary schools in Tehran, Rey and Shemiran. Mr Fazel Fuladi, the capital's director general of education and training, announced in a telephone conversation with the correspondent of the voice of Iran the following: In order to prepare to reopen the secondary schools of Tehran, Shemiran and Rey, a meeting took place this afternoon with the participation of the heads of the capital's 19 districts at the headquarters of Tehran's General Department of Education and Training. At the conclusion of the session, the results of these studies will be made public.

Tehran's director general for education and training, in discussing ways to obtain the kerosene needed by schools, noted that talks are in progress in this connection between education and training officials and the National Iranian Oil Company. Tankers have been earmarked to carry kerosene for the schools.